



**State of South Dakota
 Electric Rate Schedule – SDPUC Volume No. 2**

Section No. 3
 3rd Revised Sheet No. 25
 Canceling 2nd Revised Sheet No. 25

INFRASTRUCTURE RIDER Rate 56

1. Applicability:

Applicable to bills for electric service provided under the Company’s retail rate schedules this Infrastructure Rider (IR) and specifies the procedure utilized to recover the jurisdictional costs associated with infrastructure investments determined to be eligible for recovery in accordance with SDCL 49-34A-73.

2. Infrastructure Rider:

- a. The IR per Kwh will be calculated using the projected capital costs and related expenses, along with the forecasted Kwh sales, to determine a South Dakota jurisdictional revenue requirement to be recovered through the IR rates.
- b. The IR will include a return requirement on the capital investments based on the authorized rate of return and a true-up of the previous year’s IR, as described in ¶ (2e).
- c. The IR will be adjusted annually to reflect the Company’s most recent projected capital costs and related expenses for projects determined to be recoverable under this tariff.
- d. A true-up will reflect any over or under collection of revenue under the Infrastructure Rider based on actual expenditures from the preceding twelve month period plus carrying charges or credits accrued at a rate equal to the overall Rate of Return authorized in Docket No. EL15-024.

3. Time and Manner of Filing:

Montana-Dakota shall update the IR annually to be effective each May 1 and shall file the IR at least 60 days prior to the proposed effective date. The filing by Montana-Dakota shall be made by means of a revised IR tariff sheet identifying the total costs to be recovered, the derivation of the revenue requirement and resulting IR rate.

4. Infrastructure Rider Rate: \$0.00841 per Kwh

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| Date Filed: | April 21, 2020 | Effective Date: | Service rendered on and after May 1, 2020 |
| Issued By: | Travis R. Jacobson Director – Regulatory Affairs | | |
| Docket No.: | EL20-009 | | |