



A Subsidiary of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
701-222-7900
www.montana-dakota.com

December 5, 2024

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol
Pierre, SD 57501-5070

Re: Interim Rate Refund Compliance Filing
Docket No. EL23-020

Montana-Dakota Utilities Co. (Montana-Dakota or Company) herewith electronically submits this Interim Rate Refund Compliance Filing in the above referenced docket.

On March 1, 2024, Montana-Dakota implemented an electric interim rate increase of \$5,843,942 on an annual basis pursuant to SDCL 49-34A-17. The interim increase was comprised of two components, an interim increase of \$2,266,384 and a transfer of \$3,577,558 in revenue associated with assets that were being recovered through the Company's Transmission Cost Recovery Rider Rate 57 (Rate 57) and the Infrastructure Rider Rate 56 (Rate 56) to base rates. The March 1 interim increase did not include a large capital project that was experiencing delays at the time of the Company's January 26, 2024 notice to the Commission of Montana-Dakota's intent to implement interim rates.

On September 1, 2024, Montana-Dakota implemented new electric service rates reflecting a final overall increase in revenues of \$4,581,856, which was comprised of two components, a final increase in rates of \$1,004,298 and a transfer of \$3,577,558 in revenue associated with assets that were being recovered through the Company's two rider rates (Rates 56 and 57). The final increase includes the large capital project excluded from interim as the project was in service at the time the Settlement Stipulation was filed in the above mentioned docket. In order to properly recognize the interim revenue requirement against the final revenue requirement, the electric interim rate refund plan considers both the final revenue requirement excluding the large capital project for the time period of March 1, 2024 through July 7, 2024 and including the project July 8, 2024 forward. A summary of the elements of the interim increase as compared to the final increase are included in the table below:

	Interim Increase (w/o project)	Final Increase (w/o project)	Final Increase (w/ project)
Base Rates	\$2,266,384	\$645,810	\$1,004,298
Transfer of Assets to Base Rates from Riders	\$3,577,558	\$3,577,558	\$3,577,558
Total Base Revenue Increase	\$5,843,942	\$4,223,368	\$4,581,856
% Refundable		27.731%	21.596%

Pursuant to the Company’s Interim Refund Plan included with the Settlement Stipulation and approved by the South Dakota Public Utilities Commission on August 13, 2024, the Company was to refund the difference to customers within 90 days following the implementation of final rates or no later than November 29, 2024.

As shown on Attachment A, page 1, the Company collected total interim revenues of \$2,740,222 through October 11, 2024. Applying each interim period’s percent refundable included in the table above to the interim revenue collected results in \$678,634 to be refunded to customers in South Dakota. The calculation of the final refund factor of 25.312 percent, including interest, is shown on Attachment A, page 1. The final amount to be refunded to customers, based on the final refund factor, is \$693,601.

On November 14, 2024, a total of \$693,483 was credited to active customer accounts and checks issued if a customer account was no longer active and the refund was \$5.00 or greater in accordance with the Electric Interim Refund Plan approved. The remaining balance of \$118 is the amount associated with inactive customer accounts where the refund was less than \$5.00 and the difference due to rounding. This un-refunded balance will be credited to the Deferred Fuel Cost Account in accordance with the Refund Plan. A breakdown of the refund by rate class is shown on Attachment B.

Please contact me at (701) 222-7855 or travis.jacobson@mdu.com if you have any questions regarding this submittal.

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson
Director of Regulatory Affairs

Attachments

cc: Brett Koenecke