

Transmission Cost Recovery Rider

Effective _____

On February 27, 2026, Montana-Dakota Utilities Co. (Montana-Dakota) filed its application with the South Dakota Public Utilities Commission (Commission) to update its Transmission Cost Recovery Rider (TCRR) Rate 59 in accordance with the Company's tariff that states the rates will be revised annually to reflect the projected costs to be recovered through the next year. The TCRR rate includes South Dakota's allocation of transmission related revenues, credits, and expenses assessed by both the Midcontinent Independent System Operator (MISO) and the Southwest Power Pool (SPP) for transmission service not currently recovered through electric service rates, and a true-up amount from the current TCRR rate.

On _____, the Commission approved the Company's request to update the TCRR rate with the new rate effective _____. The Transmission Cost Rider is shown as a separate line item on your electric bill.

The table below provides a comparison of a residential customer's winter bill at the current rate of -\$0.00127 per kWh and the new TCRR rate of \$0.00114 per kWh, excluding taxes. A typical residential customer using approximately 900 kWh would see an increase of \$2.17 per month, or \$26.04 annually.

kWh	Bill under Prior Rate**	Bill under New Rate**	Change	Percent Change
500	\$76.12	\$77.33	\$1.21	1.59%
600	89.30	90.74	1.44	1.61%
700	102.48	104.17	1.69	1.65%
800	114.16	116.09	1.93	1.69%
900	124.35	126.52	2.17	1.75%
1,000	134.52	136.93	2.41	1.79%

Bill amounts calculated using rates approved at the time of filing which may differ from the approved rates at the time final bill inserts are created

For more information, please contact a Montana-Dakota representative at:

1-800-638-3278.