BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY MONTANA-DAKOTA UTILITIES CO., A SUBSIDIARY OF MDU RESOURCES GROUP INC., FOR APPROVAL OF ITS REVISED CONSERVATION TRACKING ADJUSTMENT	)))))	**ORDER APPROVING TARIFF REVISIONS** **NG26-001**

On January 29, 2026, the South Dakota Public Utilities Commission (Commission) received a filing from Montana-Dakota Utilities Co. (MDU) for approval of a revised Conservation Tracking Adjustment (CTA), pursuant to the terms of the MDU's Conservation Program Tracking Mechanism Rate 90 tariff. MDU proposes a CTA rate, applicable to service under Rates 60, 70 and 72, of $0.012 per dk. The proposed CTA rate is a decrease of $0.004 per dk from the currently authorized CTA rate. The decrease is due to an over recovery in the CTA tracking account balance and lower expenses in 2025.

The revised tariff sheet is as follows:

State of South Dakota
Gas Rate Schedule - SDPUC Volume No. 3

Section No. 3
2nd Revised Sheet No. 31 Canceling 1st Revised Sheet No. 31

On February 5, 2026, the Commission electronically transmitted notice of the filing with an intervention date of February 20, 2026, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed. On February 19, 2026, MDU filed its responses to Commission staff's data requests.

On February 20, 2026, Commission staff filed a memorandum explaining that MDU agreed to lower the Natural Gas Conservation Portfolio Plan's budget for 2026 to $109,650, if the Commission so ordered, since participation levels in 2024 and 2025 were lower than anticipated. Staff recommended the Commission set the 2026 budget at $109,650, approve the Demand Side Management (DSM) Performance Financial Incentive of $7,205, and approve a CTA rate of $0.007 per dk to be effective March 1, 2026.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A.

At its regularly scheduled meeting on February 23, 2026, the Commission considered this matter. Finding the CTA rate of $0.007 per dk to be just and reasonable, the Commission voted unanimously to: 1) approve the DSM Performance of Incentive of $7,205, 2) set the 2026 budget at $109,650 for the Natural Gas Conservation Portfolio Plan, 3) approve a CTA rate of $0.007 per dk with an effective date of March 1, 2026, and 4) approve the associated tariff sheet subject to MDU filing an updated tariff sheet to account for the CTA rate approved by the Commission. It is therefore

ORDERED, that the Conservation Tracking Adjustment rate of $0.007 per dk is hereby approved with an effective date of March 1, 2026. It is further

ORDERED, that the 2026 budget for the Natural Gas Conservation Portfolio Plan shall be $109,650. It is further

ORDERED, that the Demand Side Management Performance Incentive of $7,205 is approved. It is further

ORDERED, that the associated tariff sheet is hereby approved subject to MDU filing an updated tariff sheet that sets the CTA rate as approved in this Order.

Dated at Pierre, South Dakota, this 24th day of February 2026.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.

By: _____

Date: 24 February 2026

BY ORDER OF THE COMMISSION:

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CHRIS NELSON, Chairman

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KRISTIE FIEGEN, Commissioner

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GARY HANSON, Commissioner