



MONTANA-DAKOTA UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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

March 31, 2025

Secretary & Chief Counsel
Wyoming Public Service Commission
Hansen Building, Suite 300
2515 Warren Avenue
Cheyenne, WY 82002

RE: Renewable Energy Rider Rate 15
Docket No. 20004-__-ET-25

Montana-Dakota Utilities Co. (Montana-Dakota) herewith electronically submits for Wyoming Public Service Commission (Commission) approval this annual report and rate update of the Company's Renewable Energy Rider Rate 15 (Program) through calendar year 2024. The Company is requesting a decrease in the charge per block under Rate 15 of \$0.21 per block for a total charge of \$0.01 per block for reasons stated herein to be effective June 1, 2025. Montana-Dakota is requesting approval of 8th Revised Sheet No. 15 reflecting the proposed change to the charge per block. Montana-Dakota will also submit a signed original filing within three days of this electronic filing.

On June 30, 2014, Montana-Dakota filed an application requesting authority to implement Renewable Energy Rider Pilot Rate 15 in Docket No. 20004-108-ET-14. The program provides the Company's Wyoming electric customers the option to purchase blocks of renewable energy through the Company's purchase of Renewable Energy Credits (RECs). Each block purchased by a participating customer, under Rate 15, represents one-tenth (1/10) of a REC or 100 Kwh of electricity from a renewable energy resource. On October 14, 2014, the Commission approved Renewable Energy Rider Pilot Rate 15 for a five-year period (Record 13907).

On November 13, 2019, Montana-Dakota filed an application requesting Commission approval to convert the five-year pilot Rate 15 program to a permanent program in Docket No. 20004-142-ET-19. On February 4, 2020, the Commission granted Montana-Dakota's request and Renewable Energy Rider Pilot Rate 15 was established on a permanent basis (Record 15392).

The Program's annual report is reflective of the January 1 through December 31, 2024 period. During this review period, 20 residential customers were enrolled in the program and purchased a total of 2,216 blocks of renewable energy, as shown on Exhibit 1, representing 22,160 Kwh. In March 2025, the Company purchased 222 RECs reflecting customer participation through year end 2024 which included a

carryover of 0.8 RECs for customer participation through year end 2023, as shown on Exhibit 4.

Exhibit 2 page 1 shows total program revenue through December 31, 2024, of \$838. Total program cost for 2024 was \$285 which was reflective of the RECs purchased in 2025 to cover customer subscriptions through December 31, 2024, for a net over-recovery of \$437, with interest, or approximately (\$0.1693) per block.

Exhibit 2 page 2 includes a breakdown of the current charge per block of \$0.22, as authorized in Docket No. 20004-167-ET-24 (Record No. 17535), and the 2025 calculated charge per block. As shown on page 2, a decrease in the charge per block for 2025 is warranted. The reason for the decrease is an over-recovery of costs in 2024 which can be attributed to the first five months of 2024 reflecting revenue at the higher authorized rate of \$0.62 per block, the elimination of the under-recovered balance included in the current rates, and a reduction in program costs due to a decrease in the price per REC and fewer subscriptions

While Exhibit 2 reflects a calculated charge per block of (\$0.04), Montana-Dakota is proposing a charge of \$0.01 per block. The Company believes the proposed charge of \$0.01 per subscribed block will provide participating customers the continued visual verification of their renewable purchase while recognizing the price per REC fluctuates and costs will be incurred for the 2025 subscriptions. While the Company anticipates an over-recovered balance will remain at the end of 2025 due to the current charge per block still being recovered from subscribers, Montana-Dakota believes the proposed rate will lessen the rate of over-recovery while helping to avoid a potential swing in the charge per block in next year's rate update due to changes in the number of subscribed blocks and/or price per REC.

As of March 2025, 20 customers were participating in the program. The impact to participating customers is dependent on the number of subscribed blocks. A customer subscribing to ten blocks will see a decrease in their monthly Rate 15 bill of \$2.10. The Company will continue to inform customers of the program through an annual bill insert and the Company's web site.

Exhibit 3 is a Report of Tariff Change noting the affected tariff and effect on participating customers.

The Company will comply with Chapter 3, Section 21(k) of the Wyoming Public Service Commission's Rules and Regulations by posting a Notice of the proposed rates, as shown in Exhibit 5, in each of its business offices in its electric territory and on the Company's website. The Notice to be posted for thirty days after the rate has been approved and placed in effect is included as Exhibit 6. In compliance with Chapter 3, Section 21(k)(ii), Montana-Dakota will also post the proposed tariff sheet in clean and legislative formats as shown on Attachment A on the Company's website.

Consistent with previous Rate 15 updates, Montana-Dakota will again notify all Wyoming electric customers of the program and the proposed change in Rate 15 through a Notice of Filing and Renewable Energy Rate 15 bill insert. The continuation of this customer notification avenue allows the Company to eliminate the cost associated with newspaper notices and instead utilize a cheaper alternative to communicate the proposed changes to the Company's customers. Montana-Dakota will then notify all participating customers of the change in rate through a direct mailing upon Commission approval of the 2025 rate. Included herein as Exhibit 7 is the Notice of Filing and Renewable Energy Rate 15 bill insert that will be included with all Wyoming electric customers' bills in April 2025.

Please refer all inquiries regarding this filing to:

Mr. Travis R. Jacobson
Vice President of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

Also, please send copies of all written inquiries, correspondence and pleadings to:

Mr. Bruce S. Asay 5-1739
Associated Legal Group, LLC
1812 Pebrican Avenue
Cheyenne, WY 82001

Montana-Dakota will comply with Section 37-2-125(a) of the Wyoming Statutes and include the \$5.00 filing associated with this filing when the Company is invoiced by the Commission. The invoice will include the filing fees associated with all the Company's electric filings submitted in 2025. An itemized list of all filing fees paid will be included with the check submitted and will include the docket number assigned hereto.

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

Sincerely,



Travis R. Jacobson
Vice President of Regulatory Affairs

Attachments

cc: B. Asay

RATE 15 TARIFF
(PROPOSED & LEGISLATIVE COPY)



Montana-Dakota Utilities Co.

A Subsidiary of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of Wyoming Electric Rate Schedule

W.P.S.C. Tariff No. 1
8th Revised Sheet No. 15
Canceling 7th Revised Sheet No. 15

RENEWABLE ENERGY RIDER Rate 15

Page 1 of 2

AVAILABILITY:

In all communities served by the Company in the State of Wyoming. The Renewable Energy Rider is available on an optional basis to customers receiving service under the Company's Electric Service Rate Schedules.

CHARGE PER BLOCK:

One (1) Block: \$0.01 per month

One Block equals 100 Kwh of Renewable Energy Credit purchases.

MONTHLY BILL:

The Monthly Bill shall be the number of Blocks the customer has agreed to purchase multiplied by the Charge per Block. The Monthly Bill is in addition to all other charges contained in the customer's applicable rate schedule. The Monthly Bill shall be applied to the customer's billing regardless of actual energy consumption.

RENEWABLE ENERGY CREDIT:

A Renewable Energy Credit represents the intangible environmental attributes associated with producing one MWh of electricity from a renewable resource such as wind, solar or biomass. The Company will purchase Renewable Energy Credits as needed to match the number of Blocks purchased under this rate schedule. One Renewable Energy Credit equals 1,000 Kwh (1 MWh) of electricity from a renewable resource. Each Block is equivalent to one-tenth (1/10) of a Renewable Energy Credit.

GENERAL TERMS AND CONDITIONS:

1. Customers may apply for this rate any time during the year.
2. The Company will purchase Renewable Energy Credits to match purchases under this rate schedule. Due to timing differences, the purchase of Renewable Energy Credits may not directly correspond to customer purchases in an individual 12 month period.

Date Filed: March 31, 2025

Effective Date:

Issued By: Travis R. Jacobson
Vice President – Regulatory Affairs

Docket No.:

Tariffs Reflecting Proposed Changes



Montana-Dakota Utilities Co.

A Subsidiary of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of Wyoming Electric Rate Schedule

W.P.S.C. Tariff No. 1

~~78~~th Revised Sheet No. 15

Canceling ~~67~~th Revised Sheet No. 15

RENEWABLE ENERGY RIDER Rate 15

Page 1 of 2

AVAILABILITY:

In all communities served by the Company in the State of Wyoming. The Renewable Energy Rider is available on an optional basis to customers receiving service under the Company's Electric Service Rate Schedules.

CHARGE PER BLOCK:

One (1) Block: ~~\$0.010~~^{\$0.22} per month

One Block equals 100 Kwh of Renewable Energy Credit purchases.

MONTHLY BILL:

The Monthly Bill shall be the number of Blocks the customer has agreed to purchase multiplied by the Charge per Block. The Monthly Bill is in addition to all other charges contained in the customer's applicable rate schedule. The Monthly Bill shall be applied to the customer's billing regardless of actual energy consumption.

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Date Filed: ~~March 29, 2024~~^{March 31, 2025}

Issued By: Travis R. Jacobson
~~Director~~^{Vice President} –
Regulatory Affairs

Effective Date: ~~Service rendered on and~~
~~after June 1, 2024~~

Docket No.: ~~20004-167-ET-24~~
~~Record No. 17535~~

**Montana-Dakota Utilities Co.
Electric Utility - Wyoming
Renewable Energy Rider Rate 15
Summary Report**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Year End Customers					
Residential	23	20	20	19	20
Commercial	0	0	0	0	0
	<u>23</u>	<u>20</u>	<u>20</u>	<u>19</u>	<u>20</u>
 # of Blocks Sold					
Residential	7,724	6,862	3,398	2,709	2,216
Commercial	0	0	0	0	0
	<u>7,724</u>	<u>6,862</u>	<u>3,398</u>	<u>2,709</u>	<u>2,216</u>
 Annual Revenue	\$1,109.34	\$2,192.58	\$1,569.22	\$1,466.43	\$837.92
 Admin. Program Expenses	\$1,379.20	\$249.20	\$0.00	\$0.00	\$0.00
 REC Purchases					
Number	772	687	339	271	222
Cost	\$1,371.69	\$1,528.58	\$957.64	\$415.69	\$285.07
 Total Costs	<u>\$2,750.89</u>	<u>\$1,777.78</u>	<u>\$957.64</u>	<u>\$415.69</u>	<u>\$285.07</u>

**Montana-Dakota Utilities Co.
Electric Utility - Wyoming
Renewable Energy Rider Rate 15
Program Activity
Program Review Period January 1, 2024 through December 31, 2024**

	Sales			Expenses			(Over)/Under	Interest 1/	Balance	Accumulative Balance
	2024 # of Blocks	Change per Block	Revenue	Program	REC Purchases	Total	Recovery			
December 2023 2/										\$138.64
January 2024	170	\$0.62	105.40				(105.40)	0.78	(104.62)	34.02
February	170	0.62	105.40				(105.40)	0.19	(105.21)	(71.19)
March	170	0.62	105.40				(105.40)	(0.40)	(105.80)	(176.99)
April	170	0.62	105.40				(105.40)	(0.99)	(106.39)	(283.38)
May	170	0.62	105.40				(105.40)	(1.58)	(106.98)	(390.36)
June	170	0.22	47.80 3/				(47.80)	(2.18)	(49.98)	(440.34)
July	170	0.22	37.40				(37.40)	(2.46)	(39.86)	(480.20)
August	166	0.22	36.52				(36.52)	(2.69)	(39.21)	(519.41)
September	215	0.22	47.30				(47.30)	(2.90)	(50.20)	(569.61)
October	215	0.22	47.30				(47.30)	(3.19)	(50.49)	(620.10)
November	215	0.22	47.30				(47.30)	(3.47)	(50.77)	(670.87)
December	215	0.22	47.30		285.07	285.07	237.77	(3.75)	234.02	(436.85)
End of Year Balance	<u>2,216</u>		<u>837.92</u>	<u>0.00</u>	<u>285.07</u>	<u>285.07</u>	<u>(552.85)</u>	<u>(22.64)</u>		

February 2025 subscriptions annualized 4/	2,580
(Over)/Under Recovery per Block	<u>(\$0.1693)</u>

1/ Interest rates per Chapter 1 Section 2(a)(xv) of Wyoming Public Service Commission's Rules and Regulations.

1/1/2024 6.71%

2/ December 2023 cumulative balance, Docket No. 20004-167-ET-24 (Record No. 17535).

3/ Reflects 144 Blocks billed @ \$0.22 and 26 Blocks billed @ \$0.62.

4/ Due to a change in the number of subscribed blocks that occurred during 2024, the February 2025 subscriptions of 215 were annualized for purposes of calculating the (over)/under recovery rate per block.

**Montana-Dakota Utilities Co.
Electric Utility - Wyoming
Renewable Energy Rider Rate 15
Rate Analysis
Proposed Rate to be Effective June 1, 2025**

	Current Rate 1/	Proposed Rate	Change
REC Costs per Block	\$0.1500	\$0.1250 2/	(\$0.0250)
REC Issuance & Retirement Costs per Block	0.0030	0.0030 3/	0.0000
REC Subscription Fees per Block	0.0004	0.0004 4/	0.0000
Program Advertising Costs per Block			0.0000
(Over)/Under Recovery	<u>0.0680</u>	<u>(0.1693)</u>	<u>(0.2373)</u>
Calculated Charge per Block	0.2214	(0.0409)	(0.2623)
Charge per Block	<u><u>\$0.22</u></u>	<u><u>\$0.01</u></u>	<u><u>(\$0.21)</u></u>

- 1/ Current rate implemented June 1, 2024, in Docket No. 20004-167-ET-24, Record No. 17535.
2/ Reflects recent offer price received by Montana-Dakota.
3/ Estimated Retirement Fee of \$0.02 per REC and Issuance Fee of \$0.01 per REC. Issuance Fee invoice provided as Exhibit 2, Page 3.
4/ Subscription Fee per REC invoice provided as Exhibit 2, Page 4.

INVOICE

**Midwest Renewable Energy
Tracking System, Inc.**
60 South 6th Street
Suite 2800
Minneapolis, MN 55402

business@mrets.org
+1 (651) 789-3327
mrets.org



Bill to

Montana-Dakota Utilities Co.
PO No:
400 N 4th St
Bismarck, ND 58501 USA

Invoice details

Invoice no.: 17808
Terms: Net 30
Invoice date: 01/23/2025
Due date: 02/22/2025

#	Date	Product or service	Description	Qty	Rate	Amount
1.		Services	REC - issuance ✓	73529	\$0.01 ✓	\$735.29

Total **\$735.29**

Ways to pay



Note to customer

Invoice Payment Instructions:

1. Fees must be paid in US dollars
2. Payments may be made via wire transfer, ACH transfer or check
3. Please include invoice number(s), account ID, account name and M-RETS on check payments
4. Please include invoice number(s) on wire transfer or ACH transfer
5. Please include wire fees to your amount paid. The generated invoice does not include any wiring fees levied by the bank.

Please send payments by check to:
Midwest Renewable Energy Tracking System, Inc.
Lockbox 446023
PO Box 64079
St Paul, MN 55164-0703

Please make payments via wire or ACH transfer to:
Account Name/Beneficiary Name: Midwest Renewable Energy
Tracking System, Inc.
Bank Name: Bremer Bank
225 6th Street South Suite 200
Minneapolis, MN 55402
Account #: 492037987
ABA #: 096010415

Thank you for your participation in the Midwest Renewable Energy
Tracking System.
Please note: No work was done in Canada.

INVOICE

**Midwest Renewable Energy
Tracking System, Inc.**
60 South 6th Street
Suite 2800
Minneapolis, MN 55402

business@mrets.org
+1 (651) 789-3327
mrets.org

**Bill to**

Montana-Dakota Utilities Co.
PO No:
400 N 4th St
Bismarck, ND 58501 USA

Invoice details

Invoice no.: 17809
Terms: Net 30
Invoice date: 01/23/2025
Due date: 02/22/2025

#	Date	Product or service	Description	Qty	Rate	Amount
1.		Services	REC - Subscription: General Account	1	\$2,500.00	\$2,500.00

Total \$2,500.00

Ways to pay**Note to customer**

Invoice Payment Instructions:

1. Fees must be paid in US dollars
2. Payments may be made via wire transfer, ACH transfer or check
3. Please include invoice number(s), account ID, account name and M-RETS on check payments
4. Please include invoice number(s) on wire transfer or ACH transfer
5. Please include wire fees to your amount paid. The generated invoice does not include any wiring fees levied by the bank.

Please send payments by check to:

Midwest Renewable Energy Tracking System, Inc.
Lockbox 446023
PO Box 64079
St Paul, MN 55164-0703

Please make payments via wire or ACH transfer to:

Account Name/Beneficiary Name: Midwest Renewable Energy
Tracking System, Inc.
Bank Name: Bremer Bank
225 6th Street South Suite 200
Minneapolis, MN 55402
Account #: 492037987
ABA #: 096010415

Thank you for your participation in the Midwest Renewable Energy
Tracking System.

Please note: No work was done in Canada.

2025 Subscription Fee	Wind RECs 2024	Rate
Wind \$2,411.76	593,006.00	\$0.004067
GUS \$88.24		
\$2,500.00		

Report of Tariff Change

Name of Utility: Montana-Dakota Utilities Co.

Main Office Address: 400 North Fourth Street, Bismarck, ND 58501

Renewable Energy Rider Rate 15 (Class of Service)

Tariff P.S.C. WY No. 1 8th Revised Sheet No. 15
(New tariff designation)

(Class of Service)

Tariff P.S.C. WY No. _____ Revised Sheet No. _____
(New tariff designation)

(Class of Service)

Tariff P.S.C. WY No. _____ Revised Sheet No. _____
(New tariff designation)

(Class of Service)

Tariff P.S.C. WY No. _____ Revised Sheet No. _____
(New tariff designation)

(Class of Service)

Tariff P.S.C. WY No. _____ Revised Sheet No. _____
(New tariff designation)

(Class of Service)

Tariff P.S.C. WY No. _____ Revised Sheet No. _____
(New tariff designation)

(Class of Service)

Tariff P.S.C. WY No. _____ Revised Sheet No. _____
(New tariff designation)

Change: Rate

(State part of tariff affected by change, such as: applicability, availability, rates, etc.)

Reason for Change: Updated charge per block

Approximate reduction in revenue.....	\$	(542)
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Approximate increase in revenue..... \$

Points Affected	Estimated number of customers whose cost of service will be:		
	Reduced	Increased	Unchanged
	20		

Remarks:

Reporting Utility: Montana-Dakota Utilities Co.

By: Travis R. Jacobson
Vice President of Regulatory Affairs

Montana-Dakota Utilities Co.
Electric Utility - Wyoming
Summary of Blocks Subscribed and RECs Purchased
2014 through 2024

	<u>Total BLOCKS Subscribed</u>	<u>RECs Required for Program Year 1/</u>	<u>RECs Carried Forward from Previous Year 2/</u>	<u>Total RECs to be Purchased</u>	<u>RECs Purchased / Retired</u>	<u>RECs to be Carried Forward to Next Year 2/</u>	<u>Total in BLOCKS Carried Forward to Next Year 3/</u>
2015 Program Year	469	46.9		46.9	46	0.9	9
2016 Program Year	824	82.4	0.9	83.3	83	0.3	3
2017 Program Year	3,138	313.8	0.3	314.1	314	0.1	1
2018 Program Year	3,314	331.4	0.1	331.5	331	0.5	5
2019 Program Year	5,120	512.0	0.5	512.5	512	0.5	5
2020 Program Year	7,724	772.4	0.5	772.9	772	0.9	9
2021 Program Year	6,862	686.2	0.9	687.1	687	0.1	1
2022 Program Year	3,398	339.8	0.1	339.9	339	0.9	9
2023 Program Year	2,709	270.9	0.9	271.8	271	0.8	8
2024 Program Year	2,216	221.6	0.8	222.4	222	0.4	4
2025 Program Year			0.4				

1/ 1 block = 1/10 of a REC

2/ Cannot purchase a fraction of a REC so the remaining REC fraction is carried forward to be included in the following program year.

3/ REC fraction x 10 to be purchased in future.

On March 31, 2025
Montana-Dakota Utilities Co.
filed with the Wyoming Public Service Commission
an update to the Renewable Energy Rider Rate 15
Charge per Block for the purchase of
Renewable Energy Credits in Wyoming.

The Wyoming Public Service Commission approved an update to the Renewable Energy Rider Rate 15 which allows Montana-Dakota Utilities Co.'s electric customers to purchase Blocks of Renewable Energy Credits in Wyoming.

NOTICE OF FILING RENEWABLE ENERGY RIDER RATE 15

On March 31, 2025, Montana-Dakota Utilities Co. (Montana-Dakota) filed an Application requesting a decrease in the charge per block under Renewable Energy Rider Rate 15 of \$0.21 per block for a total proposed charge of \$0.01 per block. Rate 15 allows customers the opportunity to purchase renewable energy credits (RECs) in blocks of 100 Kwh. The average residential customer uses approximately 800-900 Kwh per month, so a customer wanting to support 100 percent of their usage with renewable energy would need to purchase eight or nine blocks per month, adding approximately \$0.09 to their bill per month under the proposed rate, a decrease of \$1.89 from the currently authorized rate of \$0.22 per block.

In 2024, participating customers purchased 2,216 blocks of renewable energy, with the Company purchasing 222 RECs to fulfill customer subscriptions. Total program revenue through December 31, 2024, was \$838. Total program costs for 2024 were \$285, including the RECs purchased in 2025 to cover subscribed amounts through December 31, 2024. This resulted in a net accumulative over-recovery of \$487, with interest. The decrease is largely attributable to the over-recovery of costs incurred from the previous years and a decrease in the price of RECs purchased in 2025.

This is not a complete description of the Company's Application. Montana-Dakota's Application is on file at the Commission's office located at 2515 Warren Avenue, in Cheyenne, Wyoming and may be inspected by any interested person during regular business hours or online at: <http://psc.wyo.gov/>.

If you want to intervene in this matter or request a public hearing that you will attend, or want to make a statement, a protest, or a public comment, please contact the Commission at (307) 777-7427, or write to the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Please mention Montana-Dakota's Rate 15 update filed with the Commission on March 31, 2025, in your communications.