

A Subsidiary of MDU Resources Group, Inc.

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October 20, 2023

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

Re: Fuel and Purchased Power Adjustment

November 2023

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota) herewith respectfully files its fuel and purchased power (F&PP) adjustment pursuant to its Rate 58.

Base Fuel	\$0.02524
Fuel and Purchased Power Adjustment	0.01947
Total	\$0.04471

Exhibit A is the 89th Revised Sheet No. 27.2 showing the proposed Fuel and Purchased Power Adjustment to be effective with service rendered on and after November 1, 2023, pursuant to Commission approval.

Exhibit B, page 1 summarizes the fuel and purchased power adjustment calculated pursuant to the terms of Rate 58 authorized in Docket No. EL15-024. The total F&PP adjustment is 4.471 cents per kWh that will apply during the month of November 2023. Pages 2 through 4 show the calculation of the adjustment which is based on a four month historical average cost of fuel and purchased power.

The net effect of this F&PP adjustment is an increase from the currently effective rates of 1.396 cents per kWh for service rendered in the month of November 2023.

The per unit increase is primarily the result of higher purchased power prices in the Regional Transmission Organizations that Montana-Dakota participates. The primary reason for the increase in the per unit pricing is related to congestion within the Southwest Power Pool footprint. The pricing within the Midcontinent Independent System Operator's footprint has been negatively impacted by these system constraints.

All of Montana-Dakota's retail electric customers in South Dakota may be affected by this proposal. There were 8,471 customers in South Dakota as of September 30, 2023.

If you have any questions regarding this filing, please contact me at (701) 222-7855 or Travis.Jacobson@mdu.com.

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson Director of Regulatory Affairs

Attachment