

Final electric rate increase is effective with electric use on and after Oct. 1, 2020

The change to your monthly electric bill will vary depending on the amount of electricity you use. Your monthly bill will also vary due to changes in the cost of wholesale power purchased by Dakota Electric Association for your use. The amount you are charged for wholesale power costs is the same amount Dakota Electric pays.

On Sept. 19, 2019, Dakota Electric filed an application with the Minnesota Public Utilities Commission (MPUC) for an electric rate increase of 4.3% annually or about \$8.7 million. Dakota Electric was allowed to charge an interim rate of 3%. The MPUC approved a total rate increase of 4.25% or approximately \$8.5 million. This is approximately 1.25 percentage points more than the interim rate charged to members.

Residential members will see a \$1 increase in the monthly fixed charge and the energy charges will increase from 13.33¢ to 13.77¢ per kWh during the summer months, and from 11.93¢ to 12.38¢ during other months. The overall average increase for residential members is 4.33%. Under the MPUC decision, electric rates changed for all member classes and are noted on the inside of this notice.

RESOURCE AND TAX ADJUSTMENT

While the majority of the Resource and Tax Adjustment was absorbed into the standard rate, members will continue to see a Resource and Tax Adjustment charge on their bill related to wholesale power in 2020. The 2020 Resource and Tax Adjustment rates were not included when Dakota Electric filed its rate increase application in 2019.

The chart below compares average interim and final electric bill increases by customer class. The final monthly increase amount includes the interim increase amount. The average residential member experienced a \$2.85 increase last year when the interim rates became effective and will see an additional \$1.28 increase for a total increase of \$4.13.

CHANGE IN MONTHLY ELECTRICITY COSTS				
Member classification	Average monthly kWh use	Previous monthly bill*	Interim monthly bill	New final monthly bill
Residential	700	\$94.96	\$97.81	\$99.09
Small General Service	1,000	\$132.90	\$136.89	\$141.90
General Service	16,000	\$1,637	\$1,686	\$1,666

ENERGY (PER KWH) AND DEMAND (PER KW) RATES		
Member classification	Previous*	New
Residential		
Energy: Summer (June - Aug.)	13.33¢	13.77¢
Energy: Other (Sept. - May)	11.93¢	12.38¢
Small General Service		
Energy: Summer (June - Aug.)	12.94¢	13.74¢
Energy: Other	11.54¢	12.34¢
General Service		
Energy: First 200 kWh per kW	8.01¢	7.8¢
Energy: Next 200 kWh per kW	7.01¢	6.8¢
Energy: Over 400 kWh per kW	6.01¢	5.8¢
Demand: Summer (June - Aug.)	\$12.26	\$13.76
Demand: Other (Sept. - May)	\$9.16	\$10.66

MONTHLY FIXED CHARGE		
Member classification	Previous*	New
Residential	\$9	\$10
Small General Service	\$14	\$15
General Service	\$34	\$37

*Previous rates and monthly costs are based on 2019 rates and costs, including the RTA, in effect at the time the general rate case was filed with the Minnesota Public Utilities Commission.

Off-Peak Rate Changes

The chart below outlines the increased charges for residential members participating in interruptible and storage off-peak programs. Members on other off-peak programs can call 651-463-6243 to learn how increased rates will impact their bills.

RESIDENTIAL OFF-PEAK RATES		
Member classification	Previous	New
Controlled Energy Storage		
Energy (per kWh)	4.4¢	4.87¢
Controlled Interruptible Service		
Energy (per kWh)	5.5¢	6.31¢
Cycled Air Conditioning®		
June, July and Aug. Credit	\$13	\$13

For More Information

If you would like more information about electric prices for other member rate classes, please visit www.dakotaelectric.com/news-events/rate-case.

Member Service

651-463-6212 or 1-800-874-3409

Minnesota Relay Service

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NEW ELECTRIC RATES BEGIN WITH THIS BILL

EFFECTIVE WITH CONSUMPTION
ON AND AFTER OCT. 1, 2020



Dakota Electric
Association
4300 220th Street West
Farmington, MN 55024
651-463-6212
www.dakotaelectric.com



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