

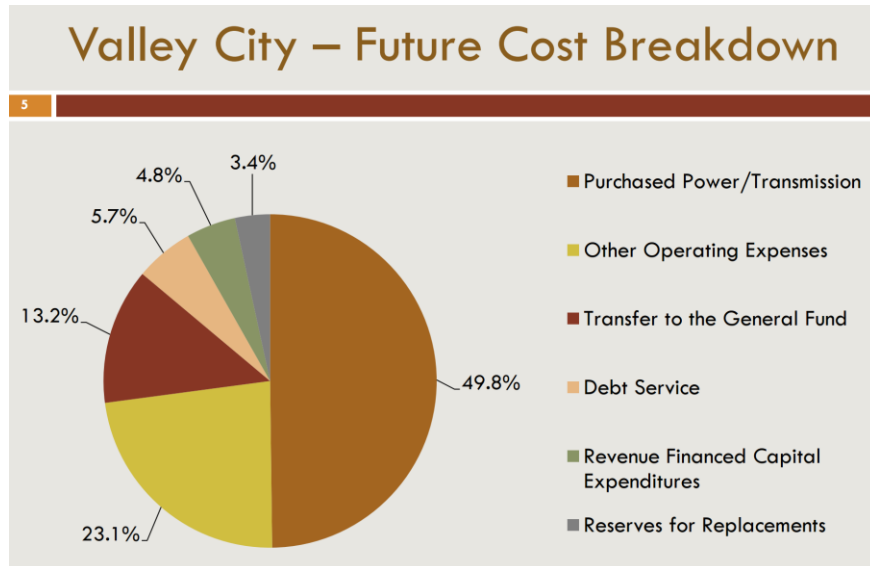
CITY NOTICE

Due to city electric providers significantly increasing their rates, this is an official notice that the City will be increasing electric rates, effective July 2, 2026.

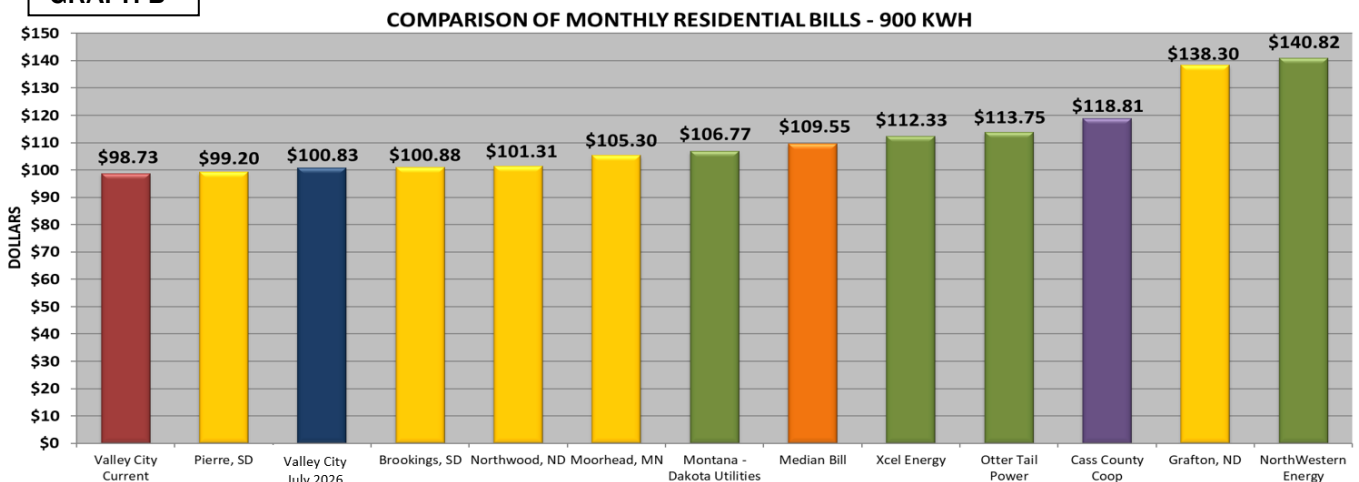
As shown in Graph A below, approximately 50% of Valley City’s electric expenses come from purchased power, supplied by MRES and Western Area Power Administration (WAPA). In 2025/2026, WAPA will increase its rates by 14% due to their operations and maintenance costs. In addition, MRES Power Supply has increased its rates by 5% in 2025, 4.7% in 2026, and project a 4.4% annual increase for 2027-2030.

Despite significant rate increases from our providers, the City has committed to only increasing overall electric rates by 2%. Even with this adjustment, Valley City continues to maintain some of the lowest electric rates in the tri-state area as shown in Graph B.

GRAPH A



GRAPH B



*Other utility bills per 900 KWH are based on 2025 rates.

*These increases are solely a reflection of provider cost increases and are not being used to fund the Service Center project.

Percentage Rate Changes

Proposed (subject to change)				
	July 2026	July 2027	July 2028	July 2029
Overall Change	2.0%	2.0%	2.0%	2.0%
Residential	2.6%	2.3%	2.6%	2.5%
Commercial Single-Phase	2.8%	2.5%	2.2%	2.5%
Commercial Three-Phase	2.9%	2.8%	2.5%	2.5%
Large Power	1.5%	1.6%	1.5%	1.6%
Industrial	0.2%	0.1%	0.0%	0.0%
Valley City State University	3.4%	3.2%	2.6%	2.5%

VALLEY CITY'S CURRENT AND JULY 2026 RATES

	Current Rates	July 2026 Rates		Current Rates	July 2026 Rates
Overall Increase		2%	Overall Increase		2%
Residential			Commercial Outside City Limits		
Customer Charge	\$ 19.75	\$ 21.40	Customer Charge		
Energy Charge - per kWh			Single-phase	\$ 30.15	\$ 31.75
June - August			Three-phase	\$ 66.95	\$ 70.00
First 1,000 kWh per month	\$ 0.0930	\$ 0.0950	Energy Charge - per kWh		
Over 1,000 kWh per month	\$ 0.0830	\$ 0.0870	June - August		
September - May			First 2,000 kWh per month	\$ 0.1160	\$ 0.1170
First 1,000 kWh per month	\$ 0.0860	\$ 0.0860	Over 2,000 kWh per month	\$ 0.0820	\$ 0.0910
Over 1,000 kWh per month	\$ 0.0670	\$ 0.0680	September - May		
Electric Heat Usage (Second Meter):			First 2,000 kWh per month	\$ 0.1100	\$ 0.1100
September - May	\$ 0.0670	\$ 0.0680	Over 2,000 kWh per month	\$ 0.0770	\$ 0.0830
Dual Heat Usage:			Electric Heat Usage (Second Meter):		
September - May	\$ 0.0520	\$ 0.0530	September - May	\$ 0.0770	\$ 0.0830
Credit per kWh for Dual Heat Usage	\$ (0.0150)	\$ (0.0150)	Dual Heat Usage:		
Residential Outside City Limits			September - May	\$ 0.0600	\$ 0.0660
Customer Charge	\$ 22.00	\$ 23.90	Credit per kWh for Dual Heat Usage	\$ (0.0170)	\$ (0.0170)
Energy Charge - per kWh			Large Power (over 50 kW)		
June - August			Customer Charge	\$ 82.00	\$ 84.00
First 1,000 kWh per month	\$ 0.1000	\$ 0.1040	Demand Charge - per kW		
Over 1,000 kWh per month	\$ 0.0910	\$ 0.0940	September - May	\$ 15.75	\$ 16.00
September - May			June - August	\$ 17.60	\$ 18.00
First 1,000 kWh per month	\$ 0.0950	\$ 0.0940	Energy Charge - per kWh	\$ 0.0317	\$ 0.0320
Over 1,000 kWh per month	\$ 0.0730	\$ 0.0750	Industrial (over 1,000 kW)		
Electric Heat Usage (Second Meter):			Customer Charge	\$ 76.44	\$ 84.00
September - May	\$ 0.0730	\$ 0.0750	Demand Charge - per kW		
Dual Heat Usage:			September - May	\$ 21.20	\$ 21.25
September - May	\$ 0.0580	\$ 0.0600	June - August	\$ 23.13	\$ 23.25
Credit per kWh for Dual Heat Usage	\$ (0.0150)	\$ (0.0150)	Energy Charge - per kWh	\$ 0.0360	\$ 0.0360
Commercial			Valley City State University		
Customer Charge			Customer Charge	\$ -	\$ -
Single-phase	\$ 27.40	\$ 28.75	Demand Charge - per kW		
Three-phase	\$ 60.82	\$ 61.00	September - May	\$ 14.25	\$ 14.90
Energy Charge - per kWh			June - August	\$ 16.17	\$ 16.90
June - August			Energy Charge - per kWh	\$ 0.0285	\$ 0.0290
First 2,000 kWh per month	\$ 0.1050	\$ 0.1070	Interruptible Demand Credit		
Over 2,000 kWh per month	\$ 0.0750	\$ 0.0810	Demand Credit: per kW		
September - May			November - April	\$ 6.90	\$ 6.90
First 2,000 kWh per month	\$ 0.0980	\$ 0.0990	Large Power Customers Only		
Over 2,000 kWh per month	\$ 0.0700	\$ 0.0730	Load Management Credits		
Electric Heat Usage (Second Meter):			Water Heater (All Months):	\$ 3.00	\$ 3.00
September - May	\$ 0.0700	\$ 0.0730	Green Energy Adder		
Dual Heat Usage:			All Months - per kWh	\$ 0.001	\$ 0.001
September - May	\$ 0.0530	\$ 0.0560			
Credit per kWh for Dual Heat Usage	\$ (0.0170)	\$ (0.0170)			

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