



UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

March 15, 2018

Executive Secretary
North Dakota Public Service Commission
State Capitol Building
600 East Boulevard
Bismarck, ND 58505-0480

Re: Fuel and Purchased Power Adjustment
Case No. PU-18-011
April 2018

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith respectfully files an original and two (2) copies of its fuel and purchased power (F&PP) adjustment pursuant to its Rate 58.

Exhibit A, page 1 summarizes the fuel and purchase power adjustment calculated pursuant to the terms of Rate 58 that will apply during the month of April 2018. 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.

Exhibit B shows the calculation of the surcharge adjustment that will be applicable to Montana-Dakota's customers from April 1, 2018 through March 31, 2019. The total surcharge is a negative \$0.00015 per Kwh for primary service customers and a negative \$0.00025 per Kwh for secondary service customers, an increase of 0.006 cents per Kwh for primary and an increase of 0.027 cents per Kwh for secondary service customers from the adjustment effective April 1, 2017.

The cost of fuel for April 2018 has increased 0.098 cents per Kwh for primary and 0.091 cents per Kwh for secondary. Therefore, the net effect of this F&PP adjustment is an increase of 0.104 cents per Kwh for primary service customers and an increase of 0.118 cents per Kwh for secondary service customers for service rendered in the month of April 2018 from current effective rates as shown below. The per unit increase was the result of higher generation costs, primarily lower wind generation.

	<u>Primary</u>	<u>Secondary</u>
F&PP Effective April 1, 2018	\$0.02408	\$0.02484
F&PP Effective March 1, 2018	0.02304	0.02366
Change	\$0.00104	\$0.00118

The current and historical Fuel and Purchased Power Adjustment for primary and secondary service customers can be found at www.montana-dakota.com/rates-and-services.

All of Montana-Dakota's retail electric customers in North Dakota will be affected by this proposal. There were 92,786 electric customers in North Dakota as of February 28, 2018.

In response to Paragraph No. 11 of NDAC Section 69-09-02-39, Montana-Dakota purchases natural gas used for electric generation from its own gas operations or transports natural gas purchased from others under the applicable gas tariff approved and on file with the Commission in the state where the purchase is made or the transportation occurs. Montana-Dakota also has an agreement with its own gas operations associated with the pipeline utilized to transport firm natural gas service to the Heskett III Station pursuant to the order in Case Nos. PU-14-108 and PU-14-109.

Montana-Dakota submitted a check for \$600.00 on January 12, 2018. This payment will cover the filing fee associated with the Fuel and Purchased Power adjustment filings for February 2018 through January 2019 in accordance with North Dakota Century Code Section 49-05-05.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

If you have any questions regarding this filing, please contact me at (701) 222-7856 or Tamie.Aberle@mdu.com.

Sincerely,



Tamie A. Aberle
Director of Regulatory Affairs

Attachment

**MONTANA-DAKOTA UTILITIES CO.
FUEL COST ADJUSTMENT - NORTH DAKOTA
APRIL 2018 BILLING ADJUSTMENT SUMMARY**

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.02423	\$0.02509
Prior Cost of Fuel	<u>0.02325</u>	<u>0.02418</u>
Change in Cost of Fuel	\$0.00098	\$0.00091
 <u>Surcharge Adjustment</u>		
Current Adjustment (Exhibit B)	(\$0.00015)	(\$0.00025)
Prior Adjustment	<u>(0.00021)</u>	<u>(0.00052)</u>
Change in Surcharge Adjustment	\$0.00006	\$0.00027
 Cost of Fuel	 \$0.02423	 \$0.02509
Surcharge Adjustment	<u>(0.00015)</u>	<u>(0.00025)</u>
Total	<u><u>\$0.02408</u></u>	<u><u>\$0.02484</u></u>

**MONTANA-DAKOTA UTILITIES CO.
FUEL AND PURCHASED POWER COST TRACKING ADJUSTMENT - NORTH DAKOTA
APRIL 2018**

	<u>Total 1/</u>	<u>Allocation to 2/ North Dakota</u>	<u>Allocation to 3/</u>	
			<u>Primary</u>	<u>Secondary</u>
Fuel & Purchased Power Costs				
Account 501 and 547	\$18,086,771	\$12,505,342	\$2,051,795	\$10,453,547
Account 502 Reagent	752,785	520,482	85,397	435,085
Account 502 Sand	323,570	223,719	36,706	187,013
Account 555 Energy	7,048,173	4,873,165	799,557	4,073,608
Account 555 Demand and 547 Pipeline Charges	1,309,814	930,518	91,284	839,234
Account 575 Market Admin.	167,280	115,659	18,977	96,682
Total Fuel & Purchased Power	\$27,688,393	\$19,168,885	\$3,083,716	\$16,085,169
Less:				
Wholesale Sales Revenue	145,969	100,924	16,559	84,365
Revenue from Sale of RECs 4/	116,743	154,754	25,391	129,363
Net System Costs	\$27,425,681	\$18,913,207	\$3,041,766	\$15,871,441
Kwh Retail Sales	1,096,334,222	758,014,455	125,511,966	632,502,489
Cost Per Kwh	\$0.02502	\$0.02495	\$0.02423	\$0.02509

1/ Page 3.

2/ Energy is allocated on Kwh sales and demand and pipeline are allocated on Allocation Factor No. 15, Integrated System 12 Month Peak Demand.

3/ Energy is allocated on Kwh sales at generation and demand and pipeline are allocated on class Allocation Factor No. 2, Coincident Peak Demand from PU-16-666.

4/ North Dakota's portion is allocated between primary and secondary based on Kwh sales at generation.

Factor No. 15 ND 71.042017%

Factor No. 2 Primary 9.810000%

Factor No. 2 Secondary 90.190000%

**MONTANA-DAKOTA UTILITIES CO.
FUEL AND PURCHASED POWER COST TRACKING ADJUSTMENT - INTEGRATED SYSTEM
APRIL 2018**

	2017		2018		Total
	November	December	January	February	
Fuel & Purchased Power Costs					
Account 501 and 547	\$4,184,568	\$3,917,196	\$5,179,430	\$4,805,577	\$18,086,771
Account 502 Reagent	153,166	248,476	199,048	152,095	752,785
Account 502 Sand	65,577	11,689	109,717	136,587	323,570
Account 555 Energy 1/	1,540,780	2,077,758	1,924,163	1,505,472	7,048,173
Account 555 Demand and 547 Pipeline Charges	311,055	302,887	311,376	384,496	1,309,814
Account 575 Market Admin.	40,420	46,188	43,332	37,340	167,280
Total Fuel & Purchased Power	\$6,295,566	\$6,604,194	\$7,767,066	\$7,021,567	\$27,688,393
Less:					
Wholesale Sales Revenue	100,509	0	35,223	10,237	145,969
Revenue from Sale of RECs	14,700	0	0	102,043	116,743
Net System Costs	\$6,180,357	\$6,604,194	\$7,731,843	\$6,909,287	\$27,425,681
 Kwh Retail Sales	 222,039,979	 263,257,283	 332,687,726	 278,349,234	 <u>1,096,334,222</u>
 Cost Per Kwh	 \$0.02783	 \$0.02509	 \$0.02324	 \$0.02482	 <u><u>\$0.02502</u></u>

MONTANA-DAKOTA UTILITIES CO.
ACCOUNT 555
APRIL 2018 BILLING ADJUSTMENT

Account No.	Account Description	2017		2018	
		November	December	January	February
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$2,351,084	\$3,518,511	\$3,479,854	\$2,528,870
555.114	Real-Time Asset Energy	126,245	210,333	246,027	13,984
555.117	Real-Time Excessive Energy	433	533	(10,673)	12,324
555.118	Real-Time Non-Excessive Energy	(818,643)	(1,107,632)	(1,534,529)	(896,488)
555.1211	Day-Ahead Asset Congestion	(346,636)	(181,149)	(461,228)	(99,016)
555.1215	Real-Time Asset Congestion	2,503	8,607	(4,920)	3,427
555.1219	Real-Time Non-Excessive Congestion	119,528	109,070	220,778	(14,785)
555.1230	Revenue Rights Transaction	(161,065)	(90,241)	(90,241)	(90,241)
555.1232	Revenue Rights Infeasible Uplift	1,940	2,529	2,529	2,529
555.1233	Revenue Rights Stage 2 Distribution	(2,400)	(26,134)	(26,096)	(26,074)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(417)	(3,817)	2	(3,277)
555.130	Real-Time Non-Excessive Loss	78,971	99,265	162,749	62,208
555.131	Day-Ahead Asset Loss	(117,207)	(155,050)	(68,101)	(37,361)
555.135	Real-Time Asset Loss	703	(10,192)	101,305	217,460
555.136	Real-Time Distribution of Loss	(11,910)	(27,406)	(33,766)	(23,888)
555.151	Day-Ahead Rev Suff Guarantee Distribution	6,925	7,165	15,729	5,009
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	0	0	(9,947)	0
555.153	Real-Time Miscellaneous	8,911	6,553	5,083	16,802
555.154	Real-Time Net Inadvertent Distribution	3,512	3,623	7,207	188
555.155	Real-Time Revenue Neutrality Uplift	34,296	63,082	9,330	26,215
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	8,154	4,510	25,082	5,393
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	(2,056)	(17,091)	(129,901)	(6,007)
555.159	Day-Ahead Schedule 24	6,004	6,046	6,436	5,703
555.160	Real-Time Schedule 24	872	1,072	938	803
555.161	Real Time Schedule 24 Distribution	28	(28)	0	0
555.162	Real-Time Price Volatility Make Whole Payment	(3,082)	(3,886)	(4,525)	(2,128)
555.1700	Day-Ahead Regulation Amount	0	0	(4)	0
555.1701	Day-Ahead Spinning Reserve Amount	(11,257)	(2,723)	(12,325)	(8,496)
555.1703	Day-Ahead Ramp Capability	(2,580)	(655)	(2,335)	(1,510)
555.1710	Real-Time Net Regulation Adjustment	0	2	(3)	0
555.1711	Real-Time Excessive Deficient Energy Deployment	290	194	204	171
555.1712	Real-Time Contingency Reserve Deployment	183	0	335	0
555.1713	Real-Time Regulation Amount	(5)	(5)	(30)	0
555.1714	Real-Time Spinning Reserve Amount	357	(3,851)	(7,872)	(1,078)
555.1716	Real-Time Regulation Cost Distribution	10,228	10,577	14,037	9,705
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	10,322	7,560	15,427	8,773
555.1718	Real-Time Supplemental Reserve Cost Distribution	1,816	2,241	5,857	1,562
555.1720	Real-Time Ramp Capability	(327)	(533)	(753)	225
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	(\$54,073)	(\$49,904)	(\$34,936)	(\$95,505)
555.186	Real-Time Over Collected Losses	(86,735)	(51,488)	(97,492)	(158,065)
555.1915	Real-Time Asset Congestion	390,503	(256,779)	130,529	37,678
555.1920	Auction Revenue Rights-Daily	(4,636)	(2,669)	(3,850)	(4,620)
	<u>Other</u>				
555.1	Purchased Power	\$0	\$7,517	\$8,091	\$14,982
555.5	Purchased Power Cogeneration	1	1	161	0
	Total Account 555 Charges	\$1,540,780	\$2,077,758	\$1,924,163	\$1,505,472

MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED FUEL COST ADJUSTMENT
APPLICABLE TO NORTH DAKOTA - PRIMARY
TO BE EFFECTIVE APRIL 1, 2018 THROUGH MARCH 31, 2019

(Over)/Under Recovered Electric Costs as of January 31, 2018 (Page 3) (\$71,303)

Less: Projected Recovery From Rates Already Established

	Volume	Rate	Amount
February	29,089,626	(\$0.00021)	(\$6,109)
March	30,938,300	(0.00021)	(6,497)
	60,027,926		(\$12,606)

Additional Recovery Required (\$58,697)

Projected Sales Volumes (Kwh)

April 2018	29,407,200
May	27,228,200
June	28,556,500
July	34,634,100
August	32,898,600
September	32,555,700
October	33,564,800
November	35,179,000
December	35,827,500
January 2019	32,121,700
February	31,636,300
March	31,379,600

Total 384,989,200

Total (Over)/Under Recovered Fuel Cost Adjustment
To Be Effective April 1, 2018 Through March 31, 2019 (\$0.00015)

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED FUEL COST ADJUSTMENT
APPLICABLE TO NORTH DAKOTA - SECONDARY
TO BE EFFECTIVE APRIL 1, 2018 THROUGH MARCH 31, 2019**

(Over)/Under Recovered Electric Costs as of January 31, 2018 (Page 4) (\$601,659)

Less: Projected Recovery From Rates Already Established

	Volume	Rate	Amount
February	163,521,492	(\$0.00052)	(\$85,031)
March	149,501,700	(0.00052)	(77,741)
	313,023,192		(\$162,772)
 Additional Recovery Required			 (\$438,887)

Projected Sales Volumes (Kwh)

April 2018	130,620,800
May	127,808,800
June	128,635,500
July	150,745,900
August	143,601,400
September	132,017,300
October	125,363,200
November	148,735,000
December	171,569,500
January 2019	174,798,300
February	163,392,700
March	151,634,400
 Total	 1,748,922,800

Total (Over)/Under Recovered Fuel Cost Adjustment
To Be Effective April 1, 2018 Through March 31, 2019 (\$0.00025)

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED
FUEL AND PURCHASED POWER COSTS ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
PRIMARY SERVICE**

	(Over) Under Recovered 1/	Interest 2/	Total Net Additions	Actual Kwh Sales	Adjustment Per Kwh	Total Adjustment Amount	Net Additions less Adjustment	Cumulative Balance
Balance @ January 31, 2017								<u>(\$92,706)</u>
February 2017	(\$96,057)	(\$40)	(\$96,097)	30,067,062	(\$0.00027)	(\$8,118)	(\$87,979)	(\$180,685)
March	(153,999)	(111)	(154,110)	34,359,925	(0.00027)	(9,277)	(144,833)	(325,518)
April	(43,143)	(217)	(43,360)	27,582,009	(0.00021)	(6,843) 3/	(36,517)	(362,035)
May	(54,298)	(269)	(54,567)	25,717,337	(0.00021)	(5,401)	(49,166)	(411,201)
June	32,489	(336)	32,153	28,259,329	(0.00021)	(5,934)	38,087	(373,114)
July	272,152	(333)	271,819	29,482,019	(0.00021)	(6,191)	278,010	(95,104)
August	38,943	(80)	38,863	35,713,121	(0.00021)	(7,500)	46,363	(48,741)
September	(6,104)	(42)	(6,146)	30,951,635	(0.00021)	(6,500)	354	(48,387)
October	(148,688)	(43)	(148,731)	32,216,675	(0.00021)	(6,766)	(141,965)	(190,352)
November	88,563	(195)	88,368	29,076,782	(0.00021)	(6,106)	94,474	(95,878)
December	14,543	(105)	14,438	31,290,047	(0.00021)	(6,571)	21,009	(74,869)
January 2018	(3,918)	(88)	(4,006)	36,055,511	(0.00021)	(7,572)	3,566	(71,303)
	<u>(\$59,517)</u>	<u>(\$1,859)</u>	<u>(\$61,376)</u>	<u>370,771,452</u>		<u>(\$82,779)</u>	<u>\$21,403</u>	
Balance @ January 31, 2018								<u>(\$71,303)</u>

1/ See page 6.

2/ Interest calculated at three-month Treasury Note rate.

3/ Reflects 17,509,988 @ (\$0.00027) per Kwh and 10,072,021 @ (\$0.00021) per Kwh.

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED
FUEL AND PURCHASED POWER COSTS ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
SECONDARY SERVICE**

	(Over) Under Recovered 1/	Refunds & Other 2/	Interest 3/	Total Net Additions	Actual Kwh Sales	Adjustment Per Kwh	Total Adjustment Amount	Net Additions less Adjustment	Cumulative Balance
Balance @ January 31, 2017									<u>(\$1,065,127)</u>
February 2017	(\$550,701)	\$0	(\$462)	(\$551,163)	155,287,949	(\$0.00046)	(\$71,432)	(\$479,731)	(1,544,858)
March	(792,007)	0	(953)	(792,960)	166,036,051	(0.00046)	(76,377)	(716,583)	(2,261,441)
April	(167,972)	0	(1,507)	(169,479)	122,513,626	(0.00052)	(58,937) 4/	(110,542)	(2,371,983)
May	(222,513)	0	(1,758)	(224,271)	120,717,051	(0.00052)	(62,773)	(161,498)	(2,533,481)
June	181,960	0	(2,068)	179,892	127,296,746	(0.00052)	(66,194)	246,086	(2,287,395)
July	1,238,870	0	(2,039)	1,236,831	128,321,426	(0.00052)	(66,727)	1,303,558	(983,837)
August	173,312	0	(827)	172,485	155,886,610	(0.00052)	(81,061)	253,546	(730,291)
September	(20,719)	0	(626)	(21,345)	125,512,861	(0.00052)	(65,267)	43,922	(686,369)
October	(536,775)	(10,281)	(611)	(547,667)	120,328,029	(0.00052)	(62,571)	(485,096)	(1,171,465)
November	390,702	0	(1,200)	389,502	122,935,166	(0.00052)	(63,926)	453,428	(718,037)
December	45,029	0	(789)	44,240	149,840,653	(0.00052)	(77,917)	122,157	(595,880)
January 2018	(107,107)	0	(699)	(107,806)	196,205,178	(0.00052)	(102,027)	(5,779)	(601,659)
	<u>(\$367,921)</u>	<u>(\$10,281)</u>	<u>(\$13,539)</u>	<u>(\$391,741)</u>	<u>1,690,881,346</u>		<u>(\$855,209)</u>	<u>\$463,468</u>	

Balance @ January 31, 2018

(\$601,659)

1/ See page 7.

2/ Pursuant to Montana-Dakota's Interim Refund Compliance Report dated November 3, 2017, un-refunded inactive customer accounts were credited to the Deferred Fuel Cost Account.

3/ Interest calculated at three-month Treasury Note rate.

4/ Reflects 79,497,713 @ (\$0.00046) per Kwh and 43,015,913 @ (\$0.00052) per Kwh.

**MONTANA-DAKOTA UTILITIES CO.
FUEL AND PURCHASED POWER COST TRACKING ADJUSTMENT
INTEGRATED SYSTEM**

	Total	2017											2018
		February	March	April	May	June	July	August	September	October	November	December	January
Fuel & Purchased Power Costs													
Accounts 501 and 547 - Fuel	\$49,591,168	\$4,171,364	\$4,563,762	\$2,820,855	\$4,114,332	\$4,077,845	\$4,762,916	\$4,234,221	\$4,434,680	\$3,129,999	\$4,184,568	\$3,917,196	\$5,179,430
Account 502 - Reagent and Sand	1,541,680	0	0	0	0	0	0	255,429	289,645	208,934	218,743	260,165	308,764
Account 555 - Energy	14,574,832	969,261	802,499	1,586,398	54,006	871,805	1,919,394	1,385,131	407,369	1,036,268	1,540,780	2,077,758	1,924,163
Accounts 555 - Demand and 547 - Pipeline Charges	3,715,896	309,991	305,796	303,085	305,796	294,865	321,231	319,555	315,058	315,201	311,055	302,887	311,376
Account 575 - Market Admin.	467,977	32,343	48,760	31,988	37,544	34,427	37,411	32,777	34,114	48,673	40,420	46,188	43,332
Total Fuel & Purchased Power	\$69,891,553	\$5,482,959	\$5,720,817	\$4,742,326	\$4,511,678	\$5,278,942	\$7,040,952	\$6,227,113	\$5,480,866	\$4,739,075	\$6,295,566	\$6,604,194	\$7,767,065
Less:													
Wholesale Sales Revenue	\$874,014	\$38,680	\$65,426	\$17,482	\$147,654	\$46,848	\$35,397	\$73,623	\$193,756	\$119,416	\$100,509	\$0	\$35,223
Revenue from Sale of RECs	64,271	0	63,997	(62,950)	0	0	0	0	3,724	44,800	14,700	0	0
Net System Costs	\$68,953,268	\$5,444,279	\$5,591,394	\$4,787,794	\$4,364,024	\$5,232,094	\$7,005,555	\$6,153,490	\$5,283,386	\$4,574,859	\$6,180,357	\$6,604,194	\$7,731,842
Kwh Retail Sales	3,012,690,647	267,898,552	290,402,853	219,107,077	216,270,794	231,421,333	231,663,671	281,502,031	231,524,358	224,914,990	222,039,979	263,257,283	332,687,726
Cost Per Kwh	\$0.02289	\$0.02032	\$0.01925	\$0.02185	\$0.02018	\$0.02261	\$0.03024	\$0.02186	\$0.02282	\$0.02034	\$0.02783	\$0.02509	\$0.02324

APPLICABLE TO NORTH DAKOTA

	Total	2017											2018
		February	March	April	May	June	July	August	September	October	November	December	January
Fuel & Purchased Power Costs													
Accounts 501 and 547 - Fuel	\$33,916,654	\$2,886,105	\$3,149,279	\$1,932,379	\$2,785,765	\$2,741,033	\$3,244,378	\$2,881,953	\$2,996,963	\$2,122,868	\$2,864,819	\$2,695,175	\$3,615,937
Account 502 - Reagent and Sand	1,055,620	0	0	0	0	0	0	173,854	195,743	141,706	149,755	179,003	215,559
Account 555 - Energy	9,989,781	670,617	553,774	1,086,735	36,567	586,007	1,307,443	942,767	275,301	702,831	1,054,841	1,429,574	1,343,324
Accounts 555 - Demand and 547 - Pipeline Charges	2,652,418	221,368	218,373	216,437	218,373	210,567	229,395	228,198	224,987	225,089	222,128	216,295	221,208
Account 575 - Market Admin.	320,061	22,378	33,647	21,913	25,421	23,141	25,483	22,309	23,054	33,012	27,672	31,779	30,252
Total Fuel & Purchased Power	\$47,934,534	\$3,800,468	\$3,955,073	\$3,257,464	\$3,066,126	\$3,560,748	\$4,806,699	\$4,249,081	\$3,716,048	\$3,225,506	\$4,319,215	\$4,551,826	\$5,426,280
Less:													
Wholesale Sales Revenue	\$594,906	\$26,762	\$45,148	\$11,976	\$99,975	\$31,490	\$24,112	\$50,110	\$130,941	\$80,992	\$68,810	\$0	\$24,590
Revenue from Sale of RECs	98,853	0	52,934	(57,981)	0	0	0	0	2,659	41,853	13,733	45,655	0
Net System Costs	\$47,240,775	\$3,773,706	\$3,856,991	\$3,303,469	\$2,966,151	\$3,529,258	\$4,782,587	\$4,198,971	\$3,582,448	\$3,102,661	\$4,236,672	\$4,506,171	\$5,401,690
Kwh Retail Sales	2,061,652,798	185,355,011	200,395,976	150,095,635	146,434,388	155,556,075	157,803,445	191,599,731	156,464,496	152,544,704	152,011,948	181,130,700	232,260,689
Cost Per Kwh	\$0.02291	\$0.02036	\$0.01925	\$0.02201	\$0.02026	\$0.02269	\$0.03031	\$0.02192	\$0.02290	\$0.02034	\$0.02787	\$0.02488	\$0.02326

MONTANA-DAKOTA UTILITIES CO.
 FUEL AND PURCHASED POWER COST TRACKING ADJUSTMENT
 COMPUTATION OF (OVER) UNDER RECOVERED FUEL AND PURCHASED POWER COSTS
 APPLICABLE TO NORTH DAKOTA
 PRIMARY

	Total	February	March	April	May	June	2017 1/ July	August 2/	September	October	November	December	2018 1/ January
Fuel & Purchased Power Costs													
Accounts 501 and 547 - Fuel	\$6,054,335	\$463,756	\$534,946	\$351,841	\$484,712	\$493,372	\$600,597	\$532,266	\$587,669	\$444,481	\$543,148	\$461,388	\$556,159
Account 502 - Reagent and Sand	192,353	0	0	0	0	0	0	32,109	38,383	29,670	28,392	30,644	33,155
Account 555 - Energy	1,780,159	107,759	94,066	197,869	6,363	105,478	242,033	174,119	53,983	147,157	199,990	244,729	206,613
Accounts 555 - Demand and 547 - Pipeline Charges	216,081	15,385	15,177	15,042	15,177	14,634	15,943	15,860	22,071	22,081	21,791	21,219	21,701
Account 575 - Market Adm.	57,498	3,596	5,715	3,990	4,423	4,165	4,717	4,120	4,521	6,912	5,246	5,440	4,653
Total Fuel & Purchased Power	\$8,300,426	\$590,496	\$649,904	\$568,742	\$510,675	\$617,649	\$863,290	\$758,474	\$706,627	\$650,301	\$798,567	\$763,420	\$822,281
Less:													
Wholesale Sales Revenue	\$110,394	\$4,300	\$7,669	\$2,181	\$17,395	\$5,668	\$4,464	\$9,255	\$25,676	\$16,958	\$13,046	\$0	\$3,782
Revenue from Sale of Recs 3/	18,139	0	8,992	(10,557)	0	0	0	0	521	8,763	2,604	7,816	0
Net System Costs	\$8,171,893	\$586,196	\$633,243	\$577,118	\$493,280	\$611,981	\$858,826	\$749,219	\$680,430	\$624,580	\$782,917	\$755,604	\$818,499
Kwh Retail Sales	370,771,452	30,067,062	34,359,925	27,582,009	25,717,337	28,259,329	29,482,019	35,713,121	30,951,635	32,216,675	29,076,782	31,290,047	36,055,511
Cost per Kwh	\$0.02204	\$0.01950	\$0.01843	\$0.02092	\$0.01918	\$0.02166	\$0.02913	\$0.02098	\$0.02198	\$0.01939	\$0.02693	\$0.02415	\$0.02270
Recovered through Rates	\$8,231,410	\$682,253	\$787,242	\$620,261	\$547,578	\$579,492	\$586,674	\$710,276	\$686,534	\$773,268	\$694,354	\$741,061	\$822,417
(Over) Under Recovered	(\$59,517)	(\$96,057)	(\$153,999)	(\$43,143)	(\$54,298)	\$32,489	\$272,152	\$38,943	(\$6,104)	(\$148,688)	\$88,563	\$14,543	(\$3,918)

1/ Energy is allocated on Kwh Sales and Demand and Pipeline are allocated on Allocation Factor No. 15, Integrated System 12 Month Peak Demand.

2/ Established in Case No. PU-16-666, effective August 7, 2017, reagents and sand were specifically added to fuel and purchased power costs.

3/ North Dakota's portion is allocated between primary and secondary based on Kwh sales at generation.

MONTANA-DAKOTA UTILITIES CO.
 FUEL AND PURCHASED POWER COST TRACKING ADJUSTMENT
 COMPUTATION OF (OVER) UNDER RECOVERED FUEL AND PURCHASED POWER COSTS
 APPLICABLE TO NORTH DAKOTA
 SECONDARY

	Total	February	March	April	May	June	2017 1/ July	August 2/ August	September	October	November	December	2018 1/ January
Fuel & Purchased Power Costs													
Accounts 501 and 547 - Fuel	\$27,862,319	\$2,422,349	\$2,614,333	\$1,580,538	\$2,301,053	\$2,247,661	\$2,643,781	\$2,349,687	\$2,409,294	\$1,678,387	\$2,321,671	\$2,233,787	\$3,059,778
Account 502 - Reagent and Sand	863,267	0	0	0	0	0	0	141,745	157,360	112,036	121,363	148,359	182,404
Account 555 - Energy	8,209,622	562,858	459,708	888,866	30,204	480,529	1,065,410	768,648	221,318	555,674	854,851	1,184,845	1,136,711
Accounts 555 - Demand and 547 - Pipeline Charges	2,436,337	205,983	203,196	201,395	203,196	195,933	213,452	212,338	202,916	203,008	200,337	195,076	199,507
Account 575 - Market Adm.	262,563	18,782	27,932	17,923	20,998	18,976	20,766	18,189	18,533	26,100	22,426	26,339	25,599
Total Fuel & Purchased Power	\$39,634,108	\$3,209,972	\$3,305,169	\$2,688,722	\$2,555,451	\$2,943,099	\$3,943,409	\$3,490,607	\$3,009,421	\$2,575,205	\$3,520,648	\$3,788,406	\$4,603,999
Less:													
Wholesale Sales Revenue	\$484,512	\$22,462	\$37,479	\$9,795	\$82,580	\$25,822	\$19,648	\$40,855	\$105,265	\$64,034	\$55,764	\$0	\$20,808
Revenue from Sale of Recs 3/	80,714	0	43,942	(47,424)	0	0	0	0	2,138	33,090	11,129	37,839	0
Net System Costs	\$39,068,882	\$3,187,510	\$3,223,748	\$2,726,351	\$2,472,871	\$2,917,277	\$3,923,761	\$3,449,752	\$2,902,018	\$2,478,081	\$3,453,755	\$3,750,567	\$4,583,191
Kwh Retail Sales	1,690,881,346	155,287,949	166,036,051	122,513,626	120,717,051	127,296,746	128,321,426	155,886,610	125,512,861	120,328,029	122,935,166	149,840,653	196,205,178
Cost per Kwh	\$0.02311	\$0.02053	\$0.01942	\$0.02225	\$0.02048	\$0.02292	\$0.03058	\$0.02213	\$0.02312	\$0.02059	\$0.02809	\$0.02503	\$0.02336
Recovered through Rates	\$39,436,803	\$3,738,211	\$4,015,755	\$2,894,323	\$2,695,384	\$2,735,317	\$2,684,891	\$3,276,440	\$2,922,737	\$3,014,856	\$3,063,053	\$3,705,538	\$4,690,298
(Over) Under Recovered	(\$367,921)	(\$550,701)	(\$792,007)	(\$167,972)	(\$222,513)	\$181,960	\$1,238,870	\$173,312	(\$20,719)	(\$536,775)	\$390,702	\$45,029	(\$107,107)

1/ Energy is allocated on Kwh Sales and Demand and Pipeline are allocated on Allocation Factor No. 15, Integrated System 12 Month Peak Demand.

2/ Established in Case No. PU-16-666, effective August 7, 2017, reagents and sand were specifically added to fuel and purchased power costs.

3/ North Dakota's portion is allocated between primary and secondary based on Kwh sales at generation.