



UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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

July 15, 2022

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

Re: Update to the Transmission Cost
Adjustment Rate 59 Tariff
Case No. PU-22-_____

Montana-Dakota Utilities Co. (Montana-Dakota) herewith submits for Commission approval an original and (7) copies of the Company's Application to update its Transmission Cost Adjustment (TCA) Rate 59 tariff pursuant to NDCC §49-05-04.3 and §49-05-06 and Paragraph 2c of the Company's Rate 59 tariff. Montana-Dakota requests approval of Transmission Cost Adjustment Rate 59 (11th Revised Sheet No. 43.1 of its electric service tariffs), provided herein as Exhibit 1, to be effective with service rendered on and after November 1, 2022.

The Company is requesting to update its TCA rates to reflect the projected charges for July 2022 through June 2023 assessed to Montana-Dakota for transmission-related services provided by Midcontinent Independent System Operator (MISO) and Southwest Power Pool (SPP), along with the projected revenues and/or credits received for that same period by Montana-Dakota for transmission-related services. In addition, the Company has included the projected revenue requirement associated with transmission capital projects approved in Case No. PU-21-335, and the projected revenue requirement associated with transmission capital projects related to the repair of extensive damage during the April 2022 winter storm.

On May 16, 2022, Montana-Dakota filed an Application and Notice of Change in General Electric Rates, Case No. PU-22-194, with the North Dakota Public Service Commission to update the Company's base rates for electric service. In preparing the rate case, the costs and revenues for transmission-related services, as well as the approved transmission capital projects currently recovered in the TCA, were not included in the general rate case revenue requirement. Additionally, due to the timing of the preparation of the rate case and the April winter storm repairs, the

estimated cost of the repair project related to the storm is not included in the rate case. Therefore, the projected net costs to be recovered through the TCA rates, proposed herein, are currently not being recovered through Montana-Dakota's North Dakota retail electric rates.

The total projected net transmission-related costs are shown in the table below and represent a decrease of approximately 10.9 percent from the net cost in current TCA rates. The prior year under-collected balance is currently projected to be reduced by \$2,482,739, resulting in an over-collected balance of \$1,813,900 by October 31, 2022. The main driver is the over-collection driven by lower net transmission related expense, mainly due to higher SPP 30.9 Facility Credits received, and lower revenue requirement for transmission projects due to delayed in service dates of transmission projects.

	Current Filing	Prior Filing	Variance
Net MISO/SPP Expense:	\$8,514,870	\$8,654,624	(\$139,754)
Transmission Projects - Approved:	5,812,375	5,126,424	685,951
Transmission Projects - Proposed:	363,339	0	363,339
Under/(Over) Recovery Balance:	(1,813,900)	668,839	(2,482,739)
	\$12,876,684	\$14,449,887	(\$1,573,203)

A residential customer using 894 kWh per month would see a decrease of \$0.87 under the proposed TCA rate or a decrease of \$10.44 annually. The proposed TCA rates are shown in the table below, along with the change from the current TCA rates implemented November 1, 2021:

		Proposed Rate/kWh	Current Rate/kWh	Change/kWh
Residential & Small General	(Rates 10, 13, 16, 20, 25 & 40)	\$0.00704	\$0.00801	(\$0.00097)
Large General & Contracts	(Rates 30, 31, 32, 38, & 48, Contracts)	\$0.00562	\$0.00636	(\$0.00074)
Lighting	(Rates 41 & 52)	\$0.00351	\$0.00360	(\$0.00009)

Please refer all inquiries regarding this filing to:

Travis R. Jacobson
 Director of Regulatory Affairs
 Montana-Dakota Utilities Co.
 400 North Fourth Street
 Bismarck, ND 58501
Travis.Jacobson@mdu.com

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

Allison Waldon
Attorney
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650
Allison.Waldon@mduresources.com

Montana-Dakota's request will result in a decrease in rates; therefore, a fee of \$50 via ACH will be submitted following this filing.

Please contact me at (701) 222-7855 or at Travis.Jacobson@mdu.com with any questions regarding this filing.

Sincerely,



Travis R. Jacobson
Director of Regulatory Affairs

Attachments

cc: Allison Waldon
Garret Senger

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

In the Matter of the Application of)
MONTANA-DAKOTA UTILITIES CO. for)
Approval its Annual Update to Transmission) Case No. PU-22-____
Cost Adjustment Rate 59)

I. Summary of Application

Montana-Dakota Utilities Co. (Montana-Dakota) herewith submits this Application for approval to update its Transmission Cost Adjustment (TCA) Rate 59 tariff pursuant to NDCC §49-05-04.3 and §49-05-06 and Paragraph 2c of the Company’s Rate 59 tariff to reflect projected transmission-related costs, revenues, and credits through June 2023, and the projected revenue requirement for transmission investments being placed into service through June 2023 and proposed to be recovered through the TCA mechanism. The Company requests approval of Transmission Cost Adjustment Rate 59 (11th Revised Sheet No. 43.1) to be effective with service rendered on and after November 1, 2022. In support of this Application, Montana-Dakota is providing the following exhibits:

- Exhibit 1 – Transmission Cost Adjustment Rate 59 11th Revised Sheet No. 43.1
- Exhibit 2 – Transmission Cost Adjustment Proposed Rates
- Exhibit 3 – Projected Summary of Revenue and Expenses, July 2022 – June 2023
- Exhibit 4 – Projected 2022 and 2023 Revenue Requirement Schedules for Transmission Related Capital Projects
- Exhibit 5 – Transmission Cost Adjustment Balancing Account and Carrying Charge Calculation
- Exhibit 6 – Projected Revenue and Expenses by Schedule
- Exhibit 7 – Customer Notice of Filing

II. Description of Applicant

Montana-Dakota is a Delaware corporation duly authorized to do business in the State of North Dakota as a foreign corporation and doing business in the State of North Dakota as a public utility subject to the jurisdiction of and regulation by the North Dakota Public Service Commission (Commission) under NDCC Title 49. Montana-Dakota's Certificate of Incorporation and amendments thereto have been previously filed with the Commission and such Certificate and Amendments are hereby incorporated by reference as though fully set forth herein. Montana-Dakota provides electric service to approximately 93,600 customers in North Dakota as of June 30, 2022.

III. Background of Transmission Cost Adjustment Rate 59

On October 11, 2011, Montana-Dakota filed a Transmission Cost Adjustment Rate 59 tariff and proposed TCA rates in Case Nos. PU-11-672 and PU-11-681, pursuant to NDCC §49-05-04.3, for the recovery of the North Dakota allocation of transmission related expenses assessed by the Midcontinent Independent System Operator (MISO), Western Area Power Administration (WAPA), and the revenue requirement for transmission facilities not currently recovered through the Company's North Dakota electric service rates. On May 16, 2012, the Commission approved Montana-Dakota's Transmission Cost Adjustment Rate 59 tariff. The first TCA rates were implemented effective with service rendered on and after June 1, 2012.

The Company's currently authorized TCA rates reflect the projected 2022 net transmission-related expenses and the revenue requirement for transmission facilities not currently recovered through the Company's North Dakota electric service rates as

authorized in Case No. PU-21-335 and implemented with service rendered on and after November 1, 2021.

Montana-Dakota is now requesting to update its TCA rates to reflect projected net transmission-related expenses and the revenue requirement for transmission facilities not currently recovered through the Company's North Dakota electric service rates for the period of July 2022 – June 2023, and to include the projected over collected balance as of October 2022. The projected recovery includes the costs associated with the repairs to the transmission system damaged in the April Winter Storm event, explained on pages 8-9. The Company is proposing the rates proposed herein be effective with service rendered on and after November 1, 2022.

IV. Calculation of the Proposed TCA Rates

The following exhibits are included herein in support of the Company's proposed TCA rates and in accordance with the Company's Transmission Cost Adjustment Rate 59 tariff:

- *Exhibit 2* shows the proposed TCA rates, along with the allocation of the total net projected expenses to each of the respective rate classes. The total projected cost to be recovered through the proposed TCA rates is \$12,876,684 which is comprised of July 2022 – June 2023 net projected transmission costs of \$8,514,870, the projected revenue requirement of \$5,812,375 related to transmission investments approved in the Company's most recent filing, the projected revenue requirement of \$363,339 for proposed transmission projects being placed into service in 2022 related to the April winter storm repair, and a

projected over-recovered balance of the Company's current costs of \$1,813,900. The total costs are allocated to the respective rate classes based on the Company's transmission allocation factor (Demand Factor No. 2).

Allocated costs are then divided by the estimated billing determinants to derive the transmission revenue requirement rates. The Projected TCA revenue requirement, including the transmission investment revenue requirement, of \$12,876,684 reflects a decrease of \$1,573,203 from the \$14,449,887 TCA revenue requirement authorized in Case No. PU-21-335, Exhibit 2. A comparison of the current revenue requirement to the prior year is shown below:

	Current Filing	Prior Filing	Variance
Net MISO/SPP Expense:	\$8,514,870	\$8,654,624	(\$139,754)
Transmission Projects - Approved:	5,812,375	5,126,424	685,951
Transmission Projects - Proposed:	363,339	0	363,339
Under/(Over) Recovery Balance:	(1,813,900)	668,839	(2,482,739)
	\$12,876,684	\$14,449,887	(\$1,573,203)

The main driver is the over-collection driven by lower net transmission related expense, mainly due to higher SPP 30.9 Facility Credits received, and lower revenue requirement for transmission projects due to delayed in service dates of transmission projects.

- *Exhibit 3* provides a summary of the projected transmission-related expenses assessed to Montana-Dakota under MISO and SPP transmission schedules as well as the projected revenue and/or credits received by Montana-Dakota for transmission related services by schedule. Schedule 26 revenue has not been included in the projected period. The related Attachment GG Project (Mandan

Substation) is a FERC regulated project that was previously included in base rates. The associated project was removed from the calculation of base rates in the Company's current electric rate case, Case No. PU-22-194. This change is reflected in the interim rates approved at the Commission's Agenda Meeting on July 14, 2022. With the project no longer in base rates, the corresponding revenue will not be included in the TCA revenue requirement.

- *Exhibit 4* shows the projected monthly revenue requirements for currently approved projects and storm related costs being placed into service through June 2023, including O&M costs. Details of the storm related costs are included on Exhibit 4, pages 9-17. The revenue requirement for the period July 2022 through June 2023 is reflected in the proposed revenue requirement to be recovered through this proposed TCA. The revenue requirement is comprised of:
 - Transmission investment allocated to North Dakota = \$55,410,211 of projects approved in Case No. PU-21-335, as well as \$2,414,569 of new proposed capital projects not currently being recovered in the TCA, as of June 2023 (as shown in Exhibit 4, page 9).
 - Return on Rate Base: reflective of the authorized Capital Structure and the Return on Equity of 9.65% authorized in the Company's last electric rate case (Case No. PU-16-666).
 - Depreciation Expense: annual depreciation rates for transmission related assets as authorized in Case No. PU-16-666. In Case No. PU-22-194, the Company has proposed updated depreciation rates that, if approved, will be implemented in the next annual true-up.

- Taxes Other than Income: property tax based on the effective property tax rate for transmission property reflective of the location of the project.
 - Income Taxes: current federal and state income tax rates.
- *Exhibit 5* shows the TCA Balancing Account (per Paragraph 2d of Rate 59) through October 2022. Any over or under recovery is assessed a carrying charge at the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.
- *Exhibit 6* provides the detail of the derivation of the projected transmission-related expenses, revenues and credits for the twelve months ended June 30, 2023.

V. Transmission Investments

Montana-Dakota is proposing to include costs related to transmission capital projects being placed into service in through June 2023, for new or modified electric transmission facilities as permitted by NDCC 49-05-04.3.

Previous filings included a variety of projects. Following is an explanation of those projects that varied from previous filings.

- Lightning Protection Project – In Case No. PU-19-285, this ongoing project was approved. Montana-Dakota will apply lightning protection by attaching a surge arrester to the top phase of the Beulah to Glen Ullin 41.6 kV transmission line. In the prior year filing, the project was estimated to be in service October 2021 and estimated to cost \$370,000. The project was delayed due to equipment supply issues and winter weather. The project is now estimated to cost approximately \$425,000 and scheduled to be in service September 2022.

- Tioga Line Project – This project was included in Case No. PU-21-335 and was estimated to be in service April 2022 and estimated to cost \$2.1 million. The project cost has remained approximately the same, but the implementation was delayed until August 2022 due longer than expected winter season as well as prioritization of restoring the damage from the April Winter Storm.
- Mandan/Heskett Substation and Lines Project – This project was included in Case Nos. PU-20-344 and PU-21-335 and included constructing a new 115/69/41.6kV substation and rerouting multiple transmission lines to the new substation or the previously upgraded 230kV substation placed in service November 2021. The new substation project and many of the line reroute projects were delayed due to weather and coordinating outages of the transmission system for other projects. The remaining projects, previously estimated to cost \$8.8 million, are now estimated to be implemented in August and October of 2022 with an estimated total cost of \$11.1 million, with \$10.3 million being allocated to North Dakota. The increase is due to the Company experiencing higher than anticipated contractor construction costs. An overview of the remaining projects is outlined below.

Project Descriptions	Revised Completion Date	Revised Cost Estimate	ND Allocation
Mandan 38th St. Transmission Substation - 115/69/41.6kV	August 2022	\$7,375,000	\$7,375,000
Relocate Line TL129-1	August 2022	\$675,000	\$479,311
Relocate Line TL158-1	August 2022	\$890,000	\$631,980
Relocate Line TL098-1	August 2022	\$169,400	\$169,400
Relocate Line TL403-1	August 2022	\$408,000	\$408,000
Relocate Line TL133-1	August 2022	\$161,900	\$161,900
Relocate Line TL405-1	August 2022	\$337,400	\$337,400
Reroute Line TL088-1	October 2022	\$1,100,000	\$781,099

Following is an explanation of the specific projects proposed to be recovered through the TCA:

- Winter Storm Repair – In late April 2022, a large winter storm caused unprecedented damage to transmission lines within Montana-Dakota’s service territory that disrupted electric service to a large number of electric customers. The Company initiated emergency repairs to these transmission lines in an effort to return electric service to customers as soon as possible. Due to the Company’s immediate and intense response, all Montana-Dakota customers were re-energized by April 30, 2022. Montana-Dakota was presented the Edison Electric Institute’s Emergency Response Award in recognition of its recovery efforts. The repair involved rebuilding sections of several transmission lines and replacing the poles, cross arms, braces, insulators, conductor and other hardware as needed. Many of the lines repaired were initially installed in the 1960’s and 1980’s. While the design of the line was not changed during the rebuild, the replacement materials are better engineered and manufactured with

more modern specifications to ensure the reliability of the equipment. The repairs to the storm damaged sections of the transmission lines were completed in June of 2022. The cost to repair these lines is approximately \$2.6 million, with approximately \$2.4 million allocated to North Dakota.

VI. Estimated Impact by Customer Class

As shown in Exhibit 2, Montana-Dakota’s projected costs to be recovered under the TCA rates as allocated to North Dakota are \$12,876,684. A residential customer using 894 kWh a month would see a decrease of \$0.87 per month under the proposed TCA rates or a decrease of \$10.44 annually. Montana-Dakota requests approval of the following TCA rates to be effective November 1, 2021:

		Proposed Rate/kWh	Current Rate/kWh	Change/kWh
Residential & Small General	(Rates 10, 13, 16, 20, 25 & 40)	\$0.00704	\$0.00801	(\$0.00097)
Large General & Contracts	(Rates 30, 31, 32, 38, & 48, Contracts)	\$0.00562	\$0.00636	(\$0.00074)
Lighting	(Rates 41 & 52)	\$0.00351	\$0.00360	(\$0.00009)

Montana-Dakota has included as Exhibit 7 a Customer Notice to be included with customer’s bills starting thirty days from date of filing in accordance with NDCC § 69-09-02-02.1 requiring a notice to be provided to customers, within thirty days after filing, informing customers of the Company’s request to update rates.

Montana-Dakota’s request will result in a decrease in rates; therefore, a fee of \$50 via ACH will be submitted following this filing.

VII. Conclusion

Montana-Dakota respectfully requests that the Commission approve this annual update to the Company's TCA rates to be effective with service rendered on and after November 1, 2022.

Dated this 15th day of July 2022



Travis R. Jacobson
Director of Regulatory Affairs

Of Counsel:
Allison Waldon
Attorney
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650

Exhibit 1



Montana-Dakota Utilities Co.

A Subsidiary of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4

11th Revised Sheet No. 43.1

Canceling 10th Revised Sheet No. 43.1

TRANSMISSION COST ADJUSTMENT Rate 59

Page 2 of 2

- d. The true-up will reflect any over or under collection of revenue under the Transmission Adjustment from the preceding twelve month period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

3. Transmission Cost Adjustment Rate by class:

Residential & Small General	0.704¢ per Kwh
Large General	0.562¢ per Kwh
Lighting	0.351¢ per Kwh

Date Filed: July 15, 2022

Effective Date:

Issued By: Travis R. Jacobson
Director - Regulatory Affairs

Case No.:

Tariff Reflecting Proposed Changes



Montana-Dakota Utilities Co.

A Subsidiary of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4

~~4011~~¹¹ Revised Sheet No. 43.1

~~Canceling 910~~¹¹ Revised Sheet No. 43.1

TRANSMISSION COST ADJUSTMENT Rate 59

Page 2 of 2

- d. The true-up will reflect any over or under collection of revenue under the Transmission Adjustment from the preceding twelve month period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

3. Transmission Cost Adjustment Rate by class:

Residential & Small General	0.80 <u>0.704</u> ¢ per Kwh
Large General	0.636 <u>0.562</u> ¢ per Kwh
Lighting	0.360 <u>0.351</u> ¢ per Kwh

Date Filed: July 15, 2024₂

Effective Date: ~~Service rendered on and after November 1, 2021~~

Issued By: Travis R. Jacobson
Director - Regulatory Affairs

Case No.: ~~PU-21-335~~

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Cost Adjustment
Proposed TCA Rates**

	<u>Total</u>	<u>Residential & Small General</u>	<u>Large General & Contracts</u>	<u>Lighting</u>
Projected Costs to be Recovered				
Net Expense 1/ 2/	\$8,514,870	\$3,999,960	\$4,475,290	\$39,620
Transmission Projects' Revenue Requirement 3/	6,175,714	2,901,114	3,245,864	28,736
Under/(Over) Balance 4/	(1,813,900)	(852,101)	(953,359)	(8,440)
Net Transmission Expense	<u>\$12,876,684</u>	<u>\$6,048,973</u>	<u>\$6,767,795</u>	<u>\$59,916</u>
Projected Kwh 5/	2,080,033,032	859,036,366	1,203,951,301	17,045,365
Proposed TCA Rate per kWh				
Revenue Requirement per kWh		\$0.00803	\$0.00641	\$0.00401
Amortization per kWh		(0.00099)	(0.00079)	(0.00050)
Proposed TCA Rate per kWh		<u>0.00704</u>	<u>0.00562</u>	<u>0.00351</u>
Current TCA Rate per kWh 6/				
Revenue Requirement per kWh		\$0.00764	\$0.00607	\$0.00343
Amortization per kWh		0.00037	0.00029	0.00017
Current TCA Rate per kWh		<u>0.00801</u>	<u>0.00636</u>	<u>0.00360</u>
Change in TCA Rate		<u><u>(\$0.00097)</u></u>	<u><u>(\$0.00074)</u></u>	<u><u>(\$0.00009)</u></u>

1/ Exhibit 3, page 2.

2/ Demand Allocation Factor 2:

Residential & Small General	46.976176%	(Rates 10, 13, 16, 20, 25, 26, and 40)
Large General & Contracts	52.558524%	(Rates 30, 31, 32, 38, 48, and Contracts)
Lighting	0.465300%	(Rates 41, 52)
	<u><u>100.000000%</u></u>	

3/ Exhibit 4, page 1.

4/ Exhibit 5.

5/ Projected Kwh sales.

6/ Current TCA rates effective November 1, 2021.

Montana-Dakota Utilities Co.
Transmission Cost Adjustment
Summary of Revenue and Expenses Allocated to North Dakota
Projected Twelve Months Ending June 2023

	2022						2023						Total
	July	August	September	October	November	December	January	February	March	April	May	June	
Facility Sharing Agreement	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,337	\$244,000
MISO													
Revenue/Credits													
Schedule 1	8,088	8,088	8,088	8,088	8,088	8,088	8,088	8,088	8,088	8,088	8,088	8,091	97,059
Schedule 2	8,533	8,533	8,533	8,533	8,533	8,533	8,533	8,533	8,533	8,533	8,533	8,533	102,396
Schedule 7	45,473	45,473	45,473	45,473	45,473	45,473	45,473	45,473	45,473	45,473	45,473	45,469	545,672
Schedule 8	13,680	13,680	13,680	13,680	13,680	13,680	13,680	13,680	13,680	13,680	13,680	13,685	164,165
Schedule 9	312,396	312,396	312,396	312,396	312,396	312,396	312,396	312,396	312,396	312,396	312,396	312,398	3,748,754
NITS Cust Rev Req.	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,287)	(591,411)
Schedule 24	69,479	69,479	69,479	69,479	69,479	69,479	69,479	69,479	69,479	69,479	69,479	69,475	833,744
	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,365</u>	<u>408,364</u>	<u>4,900,379</u>
Charges													
Schedule 10													
MISO - FERC Energy	54,915	54,915	54,915	54,915	54,915	54,915	54,915	54,915	54,915	54,915	54,915	54,913	658,978
MISO - FERC Demand	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,004	48,004
FERC Direct	25,931	25,931	25,931	25,931	25,931	25,931	25,931	25,931	25,931	25,931	25,931	25,935	311,176
	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,846</u>	<u>84,852</u>	<u>1,018,158</u>
Schedule 26	217,657	217,657	217,657	217,657	217,657	217,657	276,600	276,600	276,600	276,600	276,600	276,600	2,965,542
Schedule 26A	470,971	448,742	403,762	410,446	451,242	517,181	504,474	458,242	448,206	378,271	374,646	386,489	5,252,672
A&G Retail Rate Credit	(70,222)	(70,222)	(70,222)	(70,222)	(70,222)	(70,222)	(70,222)	(70,222)	(70,222)	(70,222)	(70,222)	(70,217)	(842,659)
	<u>703,252</u>	<u>681,023</u>	<u>636,043</u>	<u>642,727</u>	<u>683,523</u>	<u>749,462</u>	<u>795,698</u>	<u>749,466</u>	<u>739,430</u>	<u>669,495</u>	<u>665,870</u>	<u>677,724</u>	<u>8,393,713</u>

Montana-Dakota Utilities Co.
Transmission Cost Adjustment
Summary of Revenue and Expenses Allocated to North Dakota
Projected Twelve Months Ending June 2023

	2022						2023						Total
	July	August	September	October	November	December	January	February	March	April	May	June	
SPP													
Revenue/Credits													
Facility Credits	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	12,290,844
Charges													
Schedule 1	53,940	53,940	53,940	53,940	53,940	53,940	53,940	53,940	53,940	53,940	53,940	53,940	647,280
Schedule 1a	35,371	35,371	35,371	35,371	35,371	35,371	35,371	35,371	35,371	35,371	35,371	35,367	424,448
Schedule 9	1,458,241	1,458,241	1,458,241	1,458,241	1,458,241	1,458,241	1,458,241	1,458,241	1,458,241	1,458,241	1,458,241	1,458,243	17,498,894
Schedule 11	192,028	192,028	192,028	192,028	192,028	192,028	192,028	192,028	192,028	192,028	192,028	192,029	2,304,337
Schedule 12	13,151	13,151	13,151	13,151	13,151	13,151	13,151	13,151	13,151	13,151	13,151	13,147	157,808
	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,726</u>	<u>21,032,767</u>
Total Company Revenue/Credits													
Facility Sharing	20,333	20,333	20,333	20,333	20,333	20,333	20,333	20,333	20,333	20,333	20,333	20,337	244,000
MISO	408,365	408,365	408,365	408,365	408,365	408,365	408,365	408,365	408,365	408,365	408,365	408,364	4,900,379
SPP	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>1,024,237</u>	<u>12,290,844</u>
	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,935</u>	<u>1,452,938</u>	<u>17,435,223</u>
Allocated to ND 1/	1,031,715	1,031,715	1,031,715	1,031,715	1,031,715	1,031,715	1,031,715	1,031,715	1,031,715	1,031,715	1,031,715	1,031,717	12,380,582
Total Company Charges													
MISO	703,252	681,023	636,043	642,727	683,523	749,462	795,698	749,466	739,430	669,495	665,870	677,724	8,393,713
SPP	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,731</u>	<u>1,752,726</u>	<u>21,032,767</u>
	<u>2,455,983</u>	<u>2,433,754</u>	<u>2,388,774</u>	<u>2,395,458</u>	<u>2,436,254</u>	<u>2,502,193</u>	<u>2,548,429</u>	<u>2,502,197</u>	<u>2,492,161</u>	<u>2,422,226</u>	<u>2,418,601</u>	<u>2,430,450</u>	<u>29,426,480</u>
Allocated to ND 1/	1,743,969	1,728,185	1,696,245	1,700,991	1,729,960	1,776,782	1,809,614	1,776,785	1,769,659	1,719,999	1,717,425	1,725,838	20,895,452
Net ND Expense	<u>\$712,254</u>	<u>\$696,470</u>	<u>\$664,530</u>	<u>\$669,276</u>	<u>\$698,245</u>	<u>\$745,067</u>	<u>\$777,899</u>	<u>\$745,070</u>	<u>\$737,944</u>	<u>\$688,284</u>	<u>\$685,710</u>	<u>\$694,121</u>	<u>\$8,514,870</u>

1/ Allocated to ND on Factor 15 Integrated System 12 Month Peak Demand: 71.009009%

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement
Projected Period**

	Projected						Average Balance
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	
Rate Base							
Plant Balance:	\$57,824,780	\$57,824,780	\$57,824,780	\$57,824,780	\$57,824,780	\$57,824,780	
Accumulated Reserve	1,895,054	1,981,241	2,067,428	2,153,615	2,239,802	2,325,989	
Net Plant in Service	\$55,929,726	\$55,843,539	\$55,757,352	\$55,671,165	\$55,584,978	\$55,498,791	\$55,714,259
Accum Def Income Taxes	\$1,349,404	\$1,396,485	\$1,438,814	\$1,476,542	\$1,509,512	\$1,537,880	
Total Plant in Service	\$54,580,322	\$54,447,054	\$54,318,538	\$54,194,623	\$54,075,466	\$53,960,911	\$54,262,819
Return on Rate Base	\$334,942	\$334,123	\$333,335	\$332,574	\$331,843	\$331,140	\$1,997,957
Expenses							
Operating Expenses							Year to Date
Depreciation	86,187	86,187	86,187	86,187	86,187	86,187	517,122
Property Tax	23,795	23,795	23,795	23,795	23,795	23,795	142,770
Total Expenses	\$109,982	\$109,982	\$109,982	\$109,982	\$109,982	\$109,982	\$659,892
Income before Taxes (EBIT)	(\$109,982)	(\$109,982)	(\$109,982)	(\$109,982)	(\$109,982)	(\$109,982)	(\$659,892)
Interest Expense	107,068	106,807	106,555	106,312	106,078	105,853	638,673
Taxable income	(\$217,050)	(\$216,789)	(\$216,537)	(\$216,294)	(\$216,060)	(\$215,835)	(\$1,298,565)
Income Taxes	(\$52,971)	(\$52,907)	(\$52,845)	(\$52,787)	(\$52,729)	(\$52,674)	(\$316,913)
Operating Income	(\$57,011)	(\$57,075)	(\$57,137)	(\$57,195)	(\$57,253)	(\$57,308)	(\$342,979)
Revenue Requirement - 2023	\$518,490	\$517,491	\$516,531	\$515,601	\$514,710	\$513,854	\$3,096,677
Approved Projects - July - December 2022 Revenue Requirement:							\$2,849,966
Proposed Projects - 2022 Revenue Requirement:							\$229,071
Total Projected Revenue Requirement:							\$6,175,714

Projected Revenue Requirement from Approved Projects:

Proposed Projects - July - December 2022 Revenue Requirement:	\$2,849,966
Proposed Projects - January - June 2023 Revenue Requirement:	<u>2,962,409</u>
	\$5,812,375

Projected Revenue Requirement from Proposed Projects:

Proposed Projects - July - December 2022 Revenue Requirement:	\$229,071
Proposed Projects - January - June 2023 Revenue Requirement:	<u>134,268</u>
	\$363,339

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Approved Projects
Actual/Projected Year End 2022**

	Actual					Projected							Average Balance
	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	
Rate Base													
Plant Balance:													
Bowdle	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270
Leola	2,476,705	2,476,705	2,476,705	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223
Dickinson	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166
Watford City	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398
Lightning Protection	385,042	385,042	385,042	385,042	385,042	385,042	385,042	385,042	810,042	810,042	810,042	810,042	810,042
Richland	3,524,917	3,539,634	3,544,878	3,544,937	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289
Crosby	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328
Bismarck	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381
Mandan	4,967,410	4,973,086	4,981,587	4,984,555	4,988,029	4,988,029	4,988,029	14,551,020	14,551,020	15,332,119	15,332,119	15,332,119	15,332,119
Mobile Sub	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995
Tioga	0	0	0	0	0	0	0	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000
Total Plant Balance	\$42,518,612	\$42,539,005	\$42,552,750	\$42,556,295	\$42,560,121	\$42,560,121	\$42,560,121	\$54,204,112	\$54,629,112	\$55,410,211	\$55,410,211	\$55,410,211	\$47,742,574
Accumulated Reserve:													
Bowdle	\$96,304	\$99,325	\$102,346	\$105,367	\$108,388	\$111,409	\$114,430	\$117,451	\$120,472	\$123,493	\$126,514	\$129,535	
Leola	43,625	46,894	50,163	53,432	56,702	59,972	63,242	66,512	69,782	73,052	76,322	79,592	
Dickinson	262,783	276,220	289,657	303,095	316,532	329,969	343,406	356,843	370,280	383,717	397,154	410,591	
Watford City	483,234	507,767	532,300	556,833	581,366	605,899	630,432	654,965	679,498	704,031	728,564	753,097	
Lightning Protection	11,912	12,405	12,898	13,391	13,883	14,376	14,869	15,362	15,855	16,348	16,841	17,334	
Richland	28,877	33,508	38,159	42,816	47,474	52,132	56,790	61,448	66,106	70,764	75,422	80,080	
Crosby	37,717	39,716	41,716	43,716	45,716	47,716	49,716	51,716	53,716	55,716	57,716	59,716	
Bismarck	17,593	18,963	20,332	21,701	23,071	24,440	25,809	27,178	28,547	29,916	31,285	32,654	
Mandan	9,307	16,280	23,261	30,253	37,251	44,248	51,245	58,242	65,239	72,236	79,233	86,230	
Mobile Sub	24,708	28,237	31,767	35,297	38,826	42,356	45,886	49,416	52,946	56,476	60,006	63,536	
Tioga	0	0	0	0	0	0	0	0	3,520	7,040	10,560	14,080	
Total Accumulated Reserve	\$1,016,060	\$1,079,315	\$1,142,599	\$1,205,901	\$1,269,209	\$1,332,517	\$1,395,825	\$1,459,133	\$1,539,372	\$1,620,153	\$1,702,255	\$1,784,357	\$1,378,891
Net Plant in Service	\$41,502,552	\$41,459,690	\$41,410,151	\$41,350,394	\$41,290,912	\$41,227,604	\$41,164,296	\$52,744,979	\$53,089,740	\$53,790,058	\$53,707,956	\$53,625,854	\$46,363,682
Accum Def Income Taxes 1/	\$818,021	\$860,821	\$899,301	\$933,598	\$963,570	\$989,359	\$1,010,828	\$1,027,976	\$1,040,942	\$1,049,587	\$1,054,050	\$1,054,187	
Total Rate Base	\$40,684,531	\$40,598,869	\$40,510,850	\$40,416,796	\$40,327,342	\$40,238,245	\$40,153,468	\$51,717,003	\$52,048,798	\$52,740,471	\$52,653,906	\$52,571,667	\$45,388,496
Return on Rate Base 2/	\$249,667	\$249,142	\$248,602	\$248,024	\$247,475	\$246,929	\$246,408	\$317,370	\$319,406	\$323,651	\$323,119	\$322,615	\$3,342,408
Expenses													
Operating Expenses													
Depreciation:													Year End
Bowdle	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021
Leola	3,269	3,269	3,269	3,269	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270
Dickinson	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437
Watford City	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533
Lightning Protection	493	493	493	493	493	493	493	493	493	1,035	1,035	1,035	1,035
Richland	4,631	4,631	4,651	4,657	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658
Crosby	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Bismarck	1,370	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369
Mandan	5,292	6,973	6,981	6,992	6,997	6,997	6,997	6,997	20,408	20,408	21,729	21,729	21,729
Mobile Sub	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530
Tioga	0	0	0	0	0	0	0	0	3,520	3,520	3,520	3,520	3,520
Total Depreciation	\$61,576	\$63,256	\$63,284	\$63,301	\$63,308	\$63,308	\$63,308	\$63,308	\$80,239	\$80,781	\$82,102	\$82,102	\$829,873
Property Tax 3/	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,109	277,330
Total Expenses	\$84,687	\$86,367	\$86,395	\$86,412	\$86,419	\$86,419	\$86,419	\$86,419	\$103,350	\$103,892	\$105,213	\$105,211	\$1,107,203
Income before Taxes (EBIT)	(\$84,687)	(\$86,367)	(\$86,395)	(\$86,412)	(\$86,419)	(\$86,419)	(\$86,419)	(\$86,419)	(\$103,350)	(\$103,892)	(\$105,213)	(\$105,211)	(\$1,107,203)
Interest Expense	79,809	79,641	79,469	79,284	79,109	78,934	78,768	101,452	102,102	103,459	103,289	103,128	1,068,444
Taxable income	(\$164,496)	(\$166,008)	(\$165,864)	(\$165,696)	(\$165,528)	(\$165,353)	(\$165,187)	(\$187,871)	(\$205,452)	(\$207,351)	(\$208,502)	(\$208,339)	(\$2,175,647)
Income Taxes 4/	(\$40,145)	(\$40,514)	(\$40,479)	(\$40,438)	(\$40,397)	(\$40,354)	(\$40,314)	(\$45,850)	(\$50,140)	(\$50,604)	(\$50,885)	(\$50,845)	(\$530,965)
Operating Income	(\$44,542)	(\$45,853)	(\$45,916)	(\$45,974)	(\$46,022)	(\$46,065)	(\$46,105)	(\$40,569)	(\$53,210)	(\$53,288)	(\$54,328)	(\$54,366)	(\$576,238)
Revenue Requirement	\$389,191	\$390,230	\$389,599	\$388,911	\$388,249	\$387,583	\$386,947	\$473,495	\$492,910	\$498,629	\$499,301	\$498,684	\$5,183,729

Notes: Footnotes outlined on Exhibit 4, page 3.
Projected plant additions for Lightning Protection, Mandan, and Tioga are outlined on Exhibit 4, pages 6-8.

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Approved Projects
Actual/Projected Year End 2022**

Factor 15-Integrated Sys. 12 2022
Month Peak Demand 71.009009%

1/ Monthly Deferred Income Tax activity is 1/12 of projected 2022 DIT activity. Monthly activity prorated based on DIT proration methodology.

Projected ND DIT activity 2022: 610,627
 Monthly: 50,886

January	February	March	April	May	June
91.78%	84.11%	75.62%	67.40%	58.90%	50.68%
46,703	42,800	38,480	34,297	29,972	25,789
July	August	September	October	November	December
42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
21,469	17,148	12,966	8,645	4,463	137

2/ Authorized capital structure with authorized return on equity from most recent rate case.

	Ratio	Cost		
Long Term Debt	42.673%	5.245%	2.238%	
Short Term Debt	4.840%	2.402%	0.116%	2.354%
Preferred Equity	1.084%	4.579%	0.050%	
Common Equity	51.403%	9.650%	4.960%	
	<u>100.000%</u>		<u>7.364%</u>	

3/ Property tax:

2022 Projected Allocated Property Tax: 255,261
 ND Fac. #15: 71.009009%
 ND Allocated Property Tax: 181,258
2022 Projected ND Direct Property Tax: 96,072
Total 2022 Projected ND Property Tax: 277,330
 Monthly: 23,111

4/ Income Tax Rate:

Tax Rate 24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
1- tax rate 75.5951%

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Approved Projects
Projected Year End 2023**

	Projected												Average Balance
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	July 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	
Rate Base													
Plant Balance:													
Bowdle	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270
Leola	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223	2,477,223
Dickinson	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166	8,272,166
Watford City	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398	15,730,398
Lightning Protection	810,042	810,042	810,042	810,042	810,042	810,042	810,042	810,042	810,042	810,042	810,042	810,042	810,042
Richland	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289	3,545,289
Crosby	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328	1,183,328
Bismarck	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381	1,037,381
Mandan	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119	15,332,119
Mobile Sub	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995
Tioga	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000	2,081,000
Total Plant Balance	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211	\$55,410,211
Accumulated Reserve:													
Bowdle	\$132,556	\$135,577	\$138,598	\$141,619	\$144,640	\$147,661	\$150,682	\$153,703	\$156,724	\$159,745	\$162,766	\$165,787	\$168,808
Leola	82,862	86,132	89,402	92,672	95,942	99,212	102,482	105,752	109,022	112,292	115,562	118,832	122,102
Dickinson	424,028	437,465	450,902	464,339	477,776	491,213	504,650	518,087	531,524	544,961	558,398	571,835	585,272
Watford City	777,630	802,163	826,696	851,229	875,762	900,295	924,828	949,361	973,894	998,427	1,022,960	1,047,493	1,072,026
Lightning Protection	19,995	21,030	22,065	23,100	24,135	25,170	26,205	27,240	28,275	29,310	30,345	31,380	32,415
Richland	84,738	89,396	94,054	98,712	103,370	108,028	112,686	117,344	122,002	126,660	131,318	135,976	140,634
Crosby	61,716	63,716	65,716	67,716	69,716	71,716	73,716	75,716	77,716	79,716	81,716	83,716	85,716
Bismarck	34,023	35,392	36,761	38,130	39,499	40,868	42,237	43,606	44,975	46,344	47,713	49,082	50,451
Mandan	164,245	185,974	207,703	229,432	251,161	272,890	294,619	316,348	338,077	359,806	381,535	403,264	425,000
Mobile Sub	67,066	70,596	74,126	77,656	81,186	84,716	88,246	91,776	95,306	98,836	102,366	105,896	109,426
Tioga	17,600	21,120	24,640	28,160	31,680	35,200	38,720	42,240	45,760	49,280	52,800	56,320	59,840
Total Accumulated Reserve	\$1,866,459	\$1,948,561	\$2,030,663	\$2,112,765	\$2,194,867	\$2,276,969	\$2,359,071	\$2,441,173	\$2,523,275	\$2,605,377	\$2,687,479	\$2,769,581	\$2,851,683
Net Plant in Service	\$53,543,752	\$53,461,650	\$53,379,548	\$53,297,446	\$53,215,344	\$53,133,242	\$53,051,140	\$52,969,038	\$52,886,936	\$52,804,834	\$52,722,732	\$52,640,630	\$53,092,191
Accum Def Income Taxes 1/	\$1,330,949	\$1,375,887	\$1,416,289	\$1,452,300	\$1,483,769	\$1,510,846	\$1,533,387	\$1,551,392	\$1,565,005	\$1,574,082	\$1,578,768	\$1,578,912	\$1,578,912
Total Rate Base	\$52,212,803	\$52,085,763	\$51,963,259	\$51,845,146	\$51,731,575	\$51,622,396	\$51,517,753	\$51,417,646	\$51,321,931	\$51,230,752	\$51,143,964	\$51,061,718	\$51,596,226
Return on Rate Base 2/	\$320,413	\$319,633	\$318,881	\$318,156	\$317,459	\$316,789	\$316,147	\$315,533	\$314,946	\$314,386	\$313,853	\$313,349	\$3,799,545
Expenses													
Operating Expenses													Year End
Depreciation:													
Bowdle	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021
Leola	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270
Dickinson	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437	13,437
Watford City	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533	24,533
Lightning Protection	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035
Richland	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658	4,658
Crosby	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Bismarck	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369
Mandan	21,729	21,729	21,729	21,729	21,729	21,729	21,729	21,729	21,729	21,729	21,729	21,729	21,729
Mobile Sub	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530
Tioga	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520
Total Depreciation	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$82,102	\$985,224
Property Tax 3/	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,111	23,109	277,330
Total Expenses	\$105,213	\$105,213	\$105,213	\$105,213	\$105,213	\$105,213	\$105,213	\$105,213	\$105,213	\$105,213	\$105,213	\$105,211	\$1,262,554
Income before Taxes (EBIT)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,213)	(\$105,211)	(\$1,262,554)
Interest Expense	102,424	102,175	101,935	101,703	101,480	101,266	101,061	100,864	100,677	100,498	100,327	100,166	1,214,576
Taxable income	(\$207,637)	(\$207,388)	(\$207,148)	(\$206,916)	(\$206,693)	(\$206,479)	(\$206,274)	(\$206,077)	(\$205,890)	(\$205,711)	(\$205,540)	(\$205,377)	(\$2,477,130)
Income Taxes 4/	(\$50,674)	(\$50,613)	(\$50,554)	(\$50,498)	(\$50,443)	(\$50,391)	(\$50,341)	(\$50,293)	(\$50,247)	(\$50,204)	(\$50,162)	(\$50,122)	(\$604,542)
Operating Income	(\$54,539)	(\$54,600)	(\$54,659)	(\$54,715)	(\$54,770)	(\$54,822)	(\$54,872)	(\$54,920)	(\$54,966)	(\$55,009)	(\$55,051)	(\$55,089)	(\$658,012)
Revenue Requirement	\$496,000	\$495,049	\$494,133	\$493,248	\$492,398	\$491,581	\$490,798	\$490,049	\$489,333	\$488,649	\$488,000	\$487,383	\$5,896,621

Note: Footnotes outlined on Exhibit 4, page 5.

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Lightning Protection Beulah to Glen Ullin
Approved Project

Plant in Service, estimated in service date September 2022.
Depreciation expense starts October 2022.
Direct to North Dakota

	Plant		Depreciation
Lightning Arresters:	\$425,000	Plant (ND Alloc):	\$425,000
		Depreciation Rate:	1.53%
		Annual Depreciation	\$6,503
		Monthly Depreciation:	\$542

Deferred income tax, based on Half Year Convention, 20-year asset:

	2022		2023
Year end plant balance:	\$425,000	Year end plant balance:	\$425,000
Tax Depreciation Rate:	3.750%	Tax Depreciation Rate:	7.219%
Tax Depreciation:	15,938	Tax Depreciation:	30,681
Book Depreciation:	1,626	Book Depreciation:	6,503
Remainder:	14,312	Remainder:	24,178
Income Tax Rate:	24.4049%	Income Tax Rate:	24.4049%
Deferred Income Tax:	\$3,493	Deferred Income Tax:	\$5,901

Property Tax:

	ND - Direct
Year End Plant Balance:	\$425,000
Effective Rate:	0.34% (Ad Valorem - Transmission)
Property Tax:	\$1,445

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Mandan/Heskett Substation and Lines
Approved Project**

Plant in Service, estimated in service date August 2022.
Depreciation expense for plant additions starts September 2022.

<u>Integrated System Projects:</u>	<u>Plant</u>	<u>Direct to North Dakota Projects:</u>	<u>Plant</u>
Relocate TL129-1:	\$675,000	New Sub (38th St.) 155/69/41.6Kv:	\$7,375,000
Relocate TL158-1:	890,000	Relocate TL098-1:	169,400
	<u>\$1,565,000</u>	Relocate TL403-1:	408,000
ND Demand Allocation (15):	71.009009%	Relocate TL133-1:	161,900
	<u>\$1,111,291</u>	Relocate TL405-1:	<u>337,400</u>
			<u>\$8,451,700</u>

	<u>Depreciation</u>	
	<u>Substation</u>	<u>Lines</u>
Plant (ND Alloc):	\$7,375,000	\$2,187,991
Depreciation Rate:	1.58%	2.03%
Annual Depreciation	<u>\$116,525</u>	<u>\$44,416</u>
Monthly Depreciation:	\$9,710	\$3,701

Plant in Service, estimated in service date October 2022.
Depreciation expense for plant additions starts November 2022.

<u>Integrated System Project:</u>	<u>Plant</u>	<u>Depreciation</u>	
Reroute TL088-1:	\$1,100,000	Plant (ND Alloc):	\$781,099
ND Demand Allocation (15):	<u>71.009009%</u>	Depreciation Rate:	<u>2.03%</u>
	<u>\$781,099</u>	Annual Depreciation	\$15,856
		Monthly Depreciation:	\$1,321

Note: The Reroute TL088-1 project was previously approved in Case No. PU-20-344, identified in Exhibit 4, page 11 as "Lines".

Deferred income tax, based on Half Year Convention, 20-year asset:

	<u>2022</u>		<u>2023</u>
Year end plant balance:	\$10,344,090	Year end plant balance:	\$10,344,090
Tax Depreciation Rate:	<u>3.750%</u>	Tax Depreciation Rate:	<u>7.219%</u>
Tax Depreciation:	387,903	Tax Depreciation:	746,740
Book Depreciation:	<u>56,286</u>	Book Depreciation:	<u>176,797</u>
Remainder:	331,617	Remainder:	569,943
Income Tax Rate:	<u>24.4049%</u>	Income Tax Rate:	<u>24.4049%</u>
Deferred Income Tax:	<u>\$80,931</u>	Deferred Income Tax:	<u>\$139,094</u>

Property Tax:

	<u>ND - Integrated</u>
Year End Plant Balance:	\$2,665,000
Effective Rate:	<u>0.34%</u> (Ad Valorem - Transmission)
Property Tax:	\$9,061
	<u>ND - Direct</u>
Year End Plant Balance:	\$8,451,700
Effective Rate:	<u>0.34%</u> (Ad Valorem - Transmission)
Property Tax:	<u>\$28,736</u>

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Tioga KV Line
Approved Project

Plant in Service, estimated in service date August 2022.
Depreciation expense starts September 2022.
Direct to North Dakota

	Plant		Depreciation
Construct Tioga 60 kV Loop Line:	\$1,540,000	Plant (ND Alloc):	\$2,081,000
Rebuild TL006-6:	360,000	Depreciation Rate:	2.03%
TL006-8 Tioga T-Line Move:	181,000	Annual Depreciation	\$42,244
	\$2,081,000	Monthly Depreciation:	\$3,520

Deferred income tax, based on Half Year Convention, 20-year asset:

	2022	2023
Year end plant balance:	\$2,081,000	\$2,081,000
Tax Depreciation Rate:	3.750%	7.219%
Tax Depreciation:	78,038	150,227
Book Depreciation:	14,080	42,244
Remainder:	63,958	107,983
Income Tax Rate:	24.4049%	24.4049%
Deferred Income Tax:	\$15,609	\$26,353

Property Tax:

	ND - Direct
Year End Plant Balance:	\$2,081,000
Effective Rate:	0.34% (Ad Valorem - Transmission)
Property Tax:	\$7,075

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Storm Damage Repair
Projected Year End 2022**

	Projected												Average Balance	
	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022		
Rate Base														
<u>Plant Balance:</u>														
Storm - Transmission	\$0	\$0	\$0	\$0	\$0	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$1,408,499	
<u>Accumulated Reserve:</u>														
Storm - Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$4,085	\$8,170	\$12,255	\$16,340	\$20,425	\$24,510	\$7,149	
Net Plant in Service	\$0	\$0	\$0	\$0	\$0	\$2,414,569	\$2,410,484	\$2,406,399	\$2,402,314	\$2,398,229	\$2,394,144	\$2,390,059	\$1,401,350	
Accum Def Income Taxes 1/	\$1,233	\$2,363	\$3,379	\$4,284	\$5,075	\$5,756	\$6,323	\$6,776	\$7,118	\$7,346	\$7,464	\$7,468		
Total Rate Base	(\$1,233)	(\$2,363)	(\$3,379)	(\$4,284)	(\$5,075)	\$2,408,813	\$2,404,161	\$2,399,623	\$2,395,196	\$2,390,883	\$2,386,680	\$2,382,591	\$1,395,968	
Return on Rate Base 2/	(\$8)	(\$15)	(\$21)	(\$26)	(\$31)	\$14,782	\$14,754	\$14,726	\$14,699	\$14,672	\$14,646	\$14,621	\$102,799	
Expenses														
Operating Expenses:													Year End	
O&M 3/	\$0	\$0	\$0	\$0	\$0	\$70,974	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,974
Depreciation Expense	0	0	0	0	0	0	4,085	4,085	4,085	4,085	4,085	4,085	4,085	24,510
Property Tax 4/	684	684	684	684	684	684	684	684	684	684	684	684	686	8,210
Total Expenses	\$684	\$684	\$684	\$684	\$684	\$71,658	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,771	\$103,694	
Income before Taxes (EBIT)	(\$684)	(\$684)	(\$684)	(\$684)	(\$684)	(\$71,658)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,771)	(\$103,694)	
Interest Expense	(2)	(5)	(7)	(8)	(10)	4,725	4,716	4,707	4,699	4,690	4,682	4,674	32,861	
Taxable income	(\$682)	(\$679)	(\$677)	(\$676)	(\$674)	(\$76,383)	(\$9,485)	(\$9,476)	(\$9,468)	(\$9,459)	(\$9,451)	(\$9,445)	(\$136,555)	
Income Taxes 5/	(\$166)	(\$166)	(\$165)	(\$165)	(\$164)	(\$18,641)	(\$2,315)	(\$2,313)	(\$2,311)	(\$2,308)	(\$2,307)	(\$2,305)	(\$33,326)	
Operating Income	(\$518)	(\$518)	(\$519)	(\$519)	(\$520)	(\$53,017)	(\$2,454)	(\$2,456)	(\$2,458)	(\$2,461)	(\$2,462)	(\$2,466)	(\$70,368)	
Revenue Requirement	\$675	\$665	\$659	\$652	\$647	\$89,687	\$22,763	\$22,729	\$22,696	\$22,664	\$22,631	\$22,603	\$229,071	

Note: Storm Damage Repair plant additions are outlined on Exhibit 4, pages 11-17.

1/ Monthly Deferred Income Tax activity is 1/12 of projected 2022 DIT activity. Monthly activity prorated based on DIT proration methodology.

Projected ND DIT activity 2022: 16,116
Monthly: 1,343

January	February	March	April	May	June	July	August	September	October	November	December
91.78%	84.11%	75.62%	67.40%	58.90%	50.68%	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
1,233	1,130	1,016	905	791	681	567	453	342	228	118	4

2/ Authorized capital structure with authorized return on equity from most recent rate case.

	Ratio	Cost	
Long Term Debt	42.673%	5.245%	2.238%
Short Term Debt	4.840%	2.402%	0.116%
Preferred Equity	1.084%	4.579%	0.050%
Common Equity	51.403%	9.650%	4.960%
	100.000%		7.364%

3/ O&M costs include Premium Time, Subcontract costs and Company Vehicle/Work Equipment expenses.

4/ Property tax:

2022 Projected Allocated Property Tax:	2,743
ND Fac. #15:	71.009009%
ND Allocated Property Tax:	1,948
2022 Projected ND Direct Property Tax:	6,262
Total 2022 Projected ND Property Tax:	8,210
Monthly:	684

5/ Income Tax Rate:

Tax Rate	24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
1- tax rate	75.5951%

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Storm Damage Repair
Projected Year End 2023**

	Projected												Average Balance
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	July 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	
Rate Base													
<u>Plant Balance:</u>													
Storm - Transmission	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569	\$2,414,569
<u>Accumulated Reserve:</u>													
Storm - Transmission	\$28,595	\$32,680	\$36,765	\$40,850	\$44,935	\$49,020	\$53,105	\$57,190	\$61,275	\$65,360	\$69,445	\$73,530	\$51,063
Net Plant in Service	\$2,385,974	\$2,381,889	\$2,377,804	\$2,373,719	\$2,369,634	\$2,365,549	\$2,361,464	\$2,357,379	\$2,353,294	\$2,349,209	\$2,345,124	\$2,341,039	\$2,363,507
Accum Def Income Taxes 1/	\$18,455	\$20,598	\$22,525	\$24,242	\$25,743	\$27,034	\$28,109	\$28,968	\$29,617	\$30,050	\$30,273	\$30,280	
Total Rate Base	\$2,367,519	\$2,361,291	\$2,355,279	\$2,349,477	\$2,343,891	\$2,338,515	\$2,333,355	\$2,328,411	\$2,323,677	\$2,319,159	\$2,314,851	\$2,310,759	\$2,337,182
Return on Rate Base 2/	\$14,529	\$14,490	\$14,454	\$14,418	\$14,384	\$14,351	\$14,319	\$14,289	\$14,260	\$14,232	\$14,205	\$14,180	\$172,111
Expenses													
Operating Expenses:													Year End
O&M	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Expense	4,085	4,085	4,085	4,085	4,085	4,085	4,085	4,085	4,085	4,085	4,085	4,085	49,020
Property Tax 3/	684	684	684	684	684	684	684	684	684	684	684	686	8,210
Total Expenses	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,769	\$4,771	\$57,230
Income before Taxes (EBIT)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,769)	(\$4,771)	(\$57,230)
Interest Expense	4,644	4,632	4,620	4,609	4,598	4,587	4,577	4,568	4,558	4,549	4,541	4,533	55,016
Taxable income	(\$9,413)	(\$9,401)	(\$9,389)	(\$9,378)	(\$9,367)	(\$9,356)	(\$9,346)	(\$9,337)	(\$9,327)	(\$9,318)	(\$9,310)	(\$9,304)	(\$112,246)
Income Taxes 4/	(\$2,297)	(\$2,294)	(\$2,291)	(\$2,289)	(\$2,286)	(\$2,283)	(\$2,281)	(\$2,279)	(\$2,276)	(\$2,274)	(\$2,272)	(\$2,271)	(\$27,393)
Operating Income	(\$2,472)	(\$2,475)	(\$2,478)	(\$2,480)	(\$2,483)	(\$2,486)	(\$2,488)	(\$2,490)	(\$2,493)	(\$2,495)	(\$2,497)	(\$2,500)	(\$29,837)
Revenue Requirement	\$22,490	\$22,442	\$22,398	\$22,353	\$22,312	\$22,273	\$22,233	\$22,196	\$22,161	\$22,127	\$22,094	\$22,065	\$267,144

1/ Monthly Deferred Income Tax activity is 1/12 of projected 2023 DIT activity. Monthly activity prorated based on DIT proration methodology.

Projected ND DIT activity 2023: 30,577
Monthly: 2,548

January	February	March	April	May	June	July	August	September	October	November	December
91.78%	84.11%	75.62%	67.40%	58.90%	50.68%	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
2,339	2,143	1,927	1,717	1,501	1,291	1,075	859	649	433	223	7

2/ Authorized capital structure with authorized return on equity from most recent rate case.

	Ratio	Cost	
Long Term Debt	42.673%	5.245%	2.238%
Short Term Debt	4.840%	2.402%	0.116%
Preferred Equity	1.084%	4.579%	0.050%
Common Equity	51.403%	9.650%	4.960%
	100.000%		7.364%

3/ Property tax:

Total 2023 Projected ND Property Tax: 8,210
Monthly: 684

4/ Income Tax Rate:

Tax Rate 24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
1- tax rate 75.5951%

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Winter Storm Repair
Proposed Project**

Plant in Service, estimated in service date June 2022.
Depreciation expense for plant additions starts July 2022.

<u>Integrated Line Rebuilds:</u>	<u>Plant</u>	<u>Direct to North Dakota Line Rebuild:</u>	<u>Plant</u>
TL039-1 & TL169-1 Rebuild:	\$806,835	Local 41.6Kv and 60Kv Rebuild:	\$1,841,643
ND Demand Allocation (15):	71.009009%		
	\$572,926		

<u>Depreciation</u>	
<u>Lines</u>	
Plant (ND Alloc):	\$2,414,569
Depreciation Rate:	2.03%
Annual Depreciation	\$49,016
Monthly Depreciation:	\$4,085

Deferred income tax, based on Half Year Convention, 20-year asset:

<u>2022</u>		<u>2023</u>	
Year end plant balance:	\$2,414,569	Year end plant balance:	\$2,414,569
Tax Depreciation Rate:	3.750%	Tax Depreciation Rate:	7.219%
Tax Depreciation:	90,546	Tax Depreciation:	174,308
Book Depreciation:	24,510	Book Depreciation:	49,016
Remainder:	66,036	Remainder:	125,292
Income Tax Rate:	24.4049%	Income Tax Rate:	24.4049%
Deferred Income Tax:	\$16,116	Deferred Income Tax:	\$30,577

Property Tax:

<u>ND - Integrated</u>	
Year End Plant Balance:	\$806,835
Effective Rate:	0.34% (Ad Valorem - Transmission)
Property Tax:	\$2,743

<u>ND - Direct</u>	
Year End Plant Balance:	\$1,841,643
Effective Rate:	0.34% (Ad Valorem - Transmission)
Property Tax:	\$6,262

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Winter Storm Repair
Project Details**

Project Description: A winter storm in late April destroyed transmission poles and interrupted service within Montana-Dakota's electric service area. The Company prioritized bringing service back to the affected communities as soon possible. The following transmission lines were identified as damaged by the storm and necessary to restore service.

- TL017-1 - Williston to Zahl
- TL018-1 - Zahl to Grenora
- TL019-1 - Zahl junction to Noonan
- TL019-2 - Alamo Tap
- TL020-1 - Kincaid junction to Bowbells
- TL028-1 - East of Noonan
- TL039-1 - Beulah to Bismarck
- TL169-1 and TL431-1 - Double Circuit for Dickinson

The affected transmission lines were damaged and required repair by replacing damaged poles and insulators. All of the identified transmission lines support the direct North Dakota system, with the exception of TL039-1 and TL169-1 which support the integrated electric system. The costs identified below include the cost of removal of the damaged equipment and the subsequent replacement costs.

Alternatives: Due to the urgency of restoring service and the various damage obtained from the storm, Montana-Dakota addressed the issues based on the damage incurred and the material Montana-Dakota was able to acquire. No alternatives were considered based on the need to restore power.

Estimated Project Costs:

April Storm Damage Summary		
Project	Voltage	Total Costs
TL017-1 Rebuild	60kV	\$183,734.91
TL018-1 Rebuild	60kV	\$68,116.39
TL019-1 Rebuild	60kV	\$623,828.18
TL019-2 Rebuild	60kV	\$206,091.08
TL020-1 Rebuild	60kV	\$67,158.20
TL028-1 Rebuild	60kV	\$54,524.27
TL039-1 Rebuild	115kV	\$111,467.28
TL169-1 Rebuild	115kV	\$695,367.62
TL431-1 Rebuild	41.6kV	\$638,190.08
Total		\$2,648,478.01

TL017-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$1,000.00
Pole/Hardware Cost	25,204.00
Labor	30,350.77
Contractor Cost	115,862.64
ES&GA	11,317.50
Total:	\$183,734.91

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Winter Storm Repair
Project Details

TL018-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$1,000.00
Pole/Hardware Cost	25,448.12
Labor	30,350.77
ES&GA	11,317.50
Total:	\$68,116.39

TL028-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$1,000.00
Pole/Hardware Cost	11,856.00
Labor	30,350.77
ES&GA	11,317.50
Total:	\$54,524.27

TL019-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$10,000.00
Pole/Hardware Cost	93,856.11
Labor	182,104.60
Contractor Cost	269,962.47
ES&GA	67,905.00
Total:	\$623,828.18

TL039-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$1,000.00
Pole/Hardware Cost	13,648.75
Labor	36,644.28
Contractor Cost	48,856.75
ES&GA	11,317.50
Total:	\$111,467.28

TL019-2 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$1,000.00
Pole/Hardware Cost	11,731.42
Labor	34,471.09
Contractor Cost	147,571.07
ES&GA	11,317.50
Total:	\$206,091.08

TL169-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$2,500.00
Survey/LiDAR	900.00
PLS Engineering	6,000.00
Pole/Hardware Cost	97,533.72
Labor	121,403.07
Contractor Cost	421,760.83
ES&GA	45,270.00
Total:	\$695,367.62

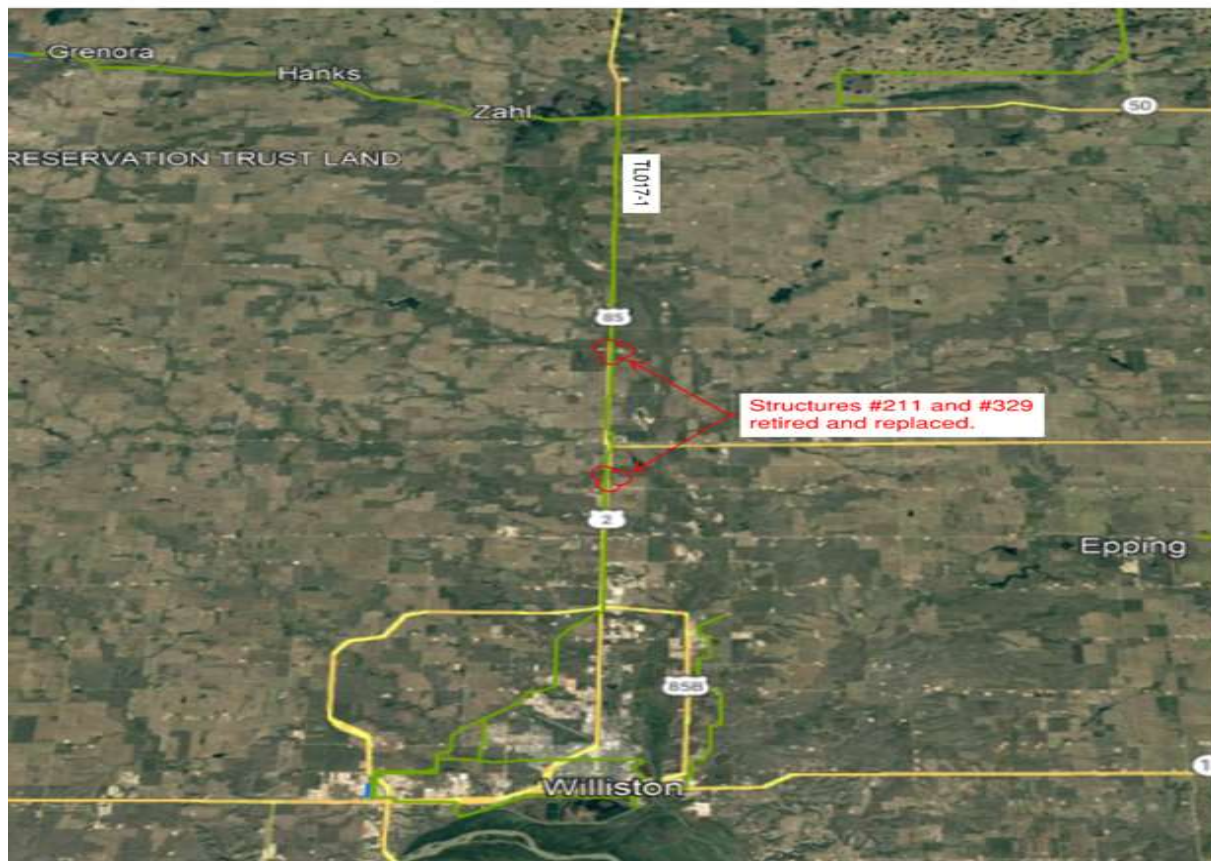
TL020-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$1,000.00
Pole/Hardware Cost	24,489.93
Labor	30,350.77
ES&GA	11,317.50
Total:	\$67,158.20

TL431-1 Rebuild	
Date: 6/30/2022	
Category	Total Costs
Easement Cost	\$2,500.00
Survey/LiDAR	963.00
PLS Engineering	6,795.00
Pole/Hardware Cost	106,726.44
Labor	121,403.07
Contractor Cost	354,532.57
ES&GA	45,270.00
Total:	\$638,190.08

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Winter Storm Repair
Project Details

Maps:

**Storm Damage Map
TL017-1 Williston - Zahl**



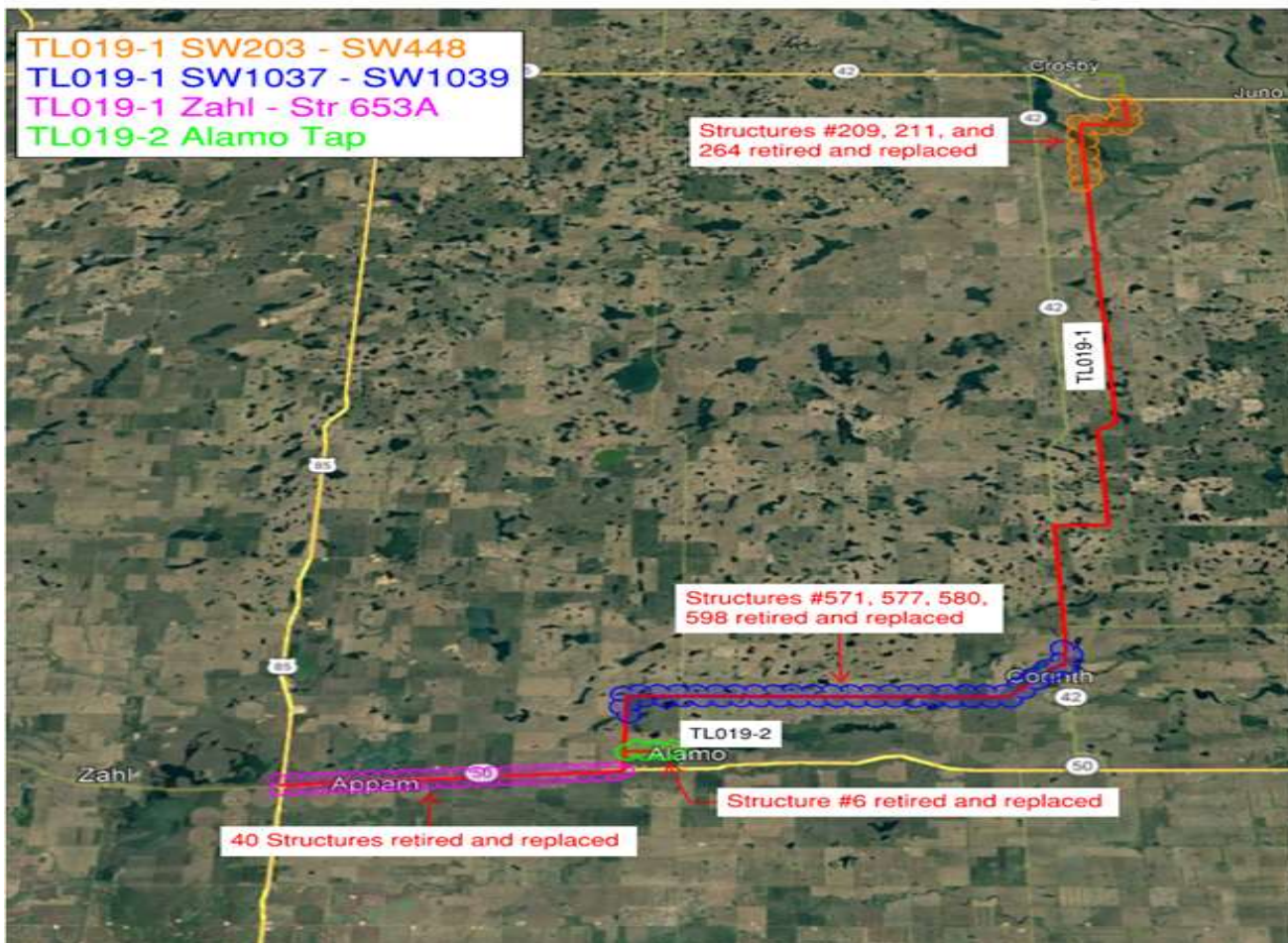
**Storm Damage Map
TL018-1 Zahl Jct. - Grenora**



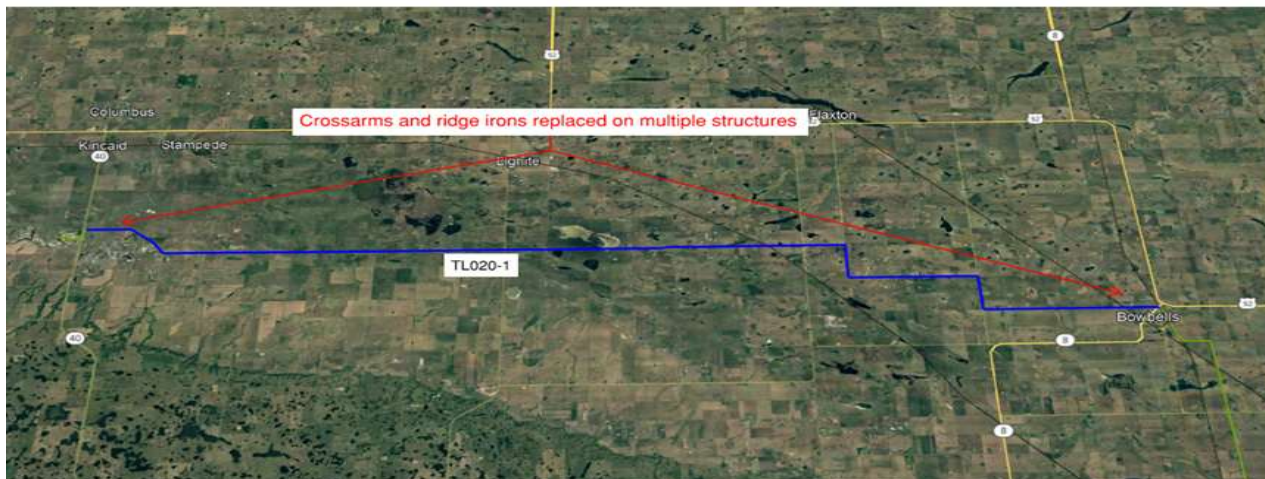
Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Winter Storm Repair
Project Details

Maps:

Storm Damage Map
TL019-1 Zahl Jct. - Noonan and TL019-2 Alamo Tap



Storm Damage Map
TL020-1 Kincaid Jct. - Bowbells



Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Winter Storm Repair
Project Details

Maps:

Storm Damage Map
TL028-1 Kincaid Plant - East of Noonan



Storm Damage Map
TL039-1 Beulah - Bismarck



Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Winter Storm Repair
Project Details

Maps:

**Storm Damage Map
TL169-1 and TL431-1 Double Circuit**



**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Cost Recovery Rider
Balancing Account and Carry Charge Calculation**

Cumulative

	Beginning Balance	Less:	Add:	Ending Balance 3/	Carrying Charge Calculation			Carrying Charge 4/	Grand Total (Over)/Under Collection
		Revenue Collected 1/	Revenue Requirement 2/		Deferred Income Tax	Net Balance	Rate 4/		
May 2021				1,528,772 5/	373,095	1,155,677			1,528,772 5/
June	1,528,772	1,155,743	858,341	1,231,370	300,515	930,855	0.0400%	39	1,231,409
July	1,231,370	1,281,761	1,100,772	1,050,381	256,344	794,037	0.0500%	39	1,050,459
August	1,050,381	1,418,293	1,254,380	886,468	216,342	670,126	0.0500%	33	886,579
September	886,468	1,167,637	1,238,146	956,977	233,549	723,428	0.0400%	22	957,110
October	956,977	1,047,677	1,046,398	955,698	233,237	722,461	0.0500%	30	955,861
November	955,698	1,008,819	938,259	885,138	216,017	669,121	0.0500%	30	885,331
December	885,138	1,294,240	990,242	581,140	141,827	439,313	0.0600%	33	581,366
January 2022	581,140	1,568,060	937,521	(49,399)	-	(49,399)	0.1500%	55	(49,118)
February	(49,399)	1,321,933	831,656	(539,676)	-	(539,676)	0.3300%	(14)	(539,409)
March	(539,676)	1,511,457	848,487	(1,202,646)	-	(1,202,646)	0.4400%	(198)	(1,202,577)
April	(1,202,646)	1,153,548	993,099	(1,363,095)	-	(1,363,095)	0.7600%	(762)	(1,363,788)
May	(1,363,095)	1,043,776	862,327	(1,544,544)	-	(1,544,544)	0.9800%	(1,113)	(1,546,350)
June - Est.	(1,544,544)	1,063,717	861,669	(1,746,592)	-	(1,746,592)	0.9800%	(1,261)	(1,749,659)
July - Est.	(1,746,592)	1,262,401	1,099,201	(1,909,792)	-	(1,909,792)	0.9800%	(1,426)	(1,914,285)
August - Est.	(1,909,792)	1,207,039	1,169,965	(1,946,866)	-	(1,946,866)	0.9800%	(1,560)	(1,952,919)
September - Est.	(1,946,866)	1,063,276	1,157,440	(1,852,702)	-	(1,852,702)	0.9800%	(1,590)	(1,860,345)
October - Est.	(1,852,702)	1,119,947	1,167,905	(1,804,744)	-	(1,804,744)	0.9800%	(1,513)	(1,813,900)
Total		\$20,689,324	\$17,355,808					(\$9,156)	

1/ Revenue collected on actual sales volume through May 2022 at the approved rates authorized in Case No. PU-20-344, and updated rates effective November 1, 2021 authorized in Case No. PU-21-335.

2/ Total revenue requirement:

	MISO/SPP Revenue Requirement	Assets Revenue Requirement	Total Revenue Requirement
June 2021	\$547,367	\$310,974	\$858,341
July	772,259	328,513	1,100,772
August	923,713	330,667	1,254,380
September	886,965	351,181	1,238,146
October	692,411	353,987	1,046,398
November	562,306	375,953	938,259
December	606,605	383,637	990,242
January 2022	548,330	389,191	937,521
February	441,426	390,230	831,656
March	458,888	389,599	848,487
April	604,188	388,911	993,099
May	474,078	388,249	862,327
June - Est.	474,086	387,583	861,669
July - Est.	712,254	386,947	1,099,201
August - Est.	696,470	473,495	1,169,965
September - Est.	664,530	492,910	1,157,440
October - Est.	669,276	498,629	1,167,905
Total	\$10,735,152	\$6,620,656	\$17,355,808

3/ (Over)/Under collection on revenue requirement not including the carrying charge except for May 2021, for use in calculating the carrying charge.

4/ Carrying charges calculated based on the three-month Treasury Bill rate, based on prior month ending balance.

5/ Balance as of May 31, 2021 per Docket No. PU-21-335, Exhibit 5, page 1.

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Cost Recovery Rider
Summary of Revenue and Expenses Allocated to North Dakota
Twelve Months Ended June 30, 2022

	Per Books											Projected	Total	
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22		
Facility Sharing Agreement	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,337	20,333	20,333	20,333	20,333	20,333	20,333	20,333	\$244,000
MISO Revenue/Credits														
Schedule 1	6,011	6,137	5,759	5,478	6,417	6,417	13,893	11,045	11,767	9,841	8,379	8,379	99,523	
Schedule 2	39,212	(48,654)	20,193	23,544	20,908	20,908	32,894	20,194	23,241	(143,720)	18,341	18,341	45,402	
Schedule 7	39,636	46,235	40,632	38,940	37,257	37,317	53,125	74,918	46,599	44,979	48,420	48,420	556,478	
Schedule 8	6,723	4,910	24,273	6,184	11,675	11,675	42,347	21,350	6,639	8,566	13,839	13,839	172,020	
Schedule 9	256,472	267,260	225,997	189,694	250,300	250,443	589,060	386,424	480,869	340,188	255,715	255,715	3,748,137	
Sch. 9 Pay to Basin	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(48,778)	(585,336)	
Schedule 24	84,254	62,601	84,756	67,690	49,768	65,365	65,828	71,948	79,154	67,693	70,096	70,096	839,249	
Schedule 26	122,920	126,428	78,414	88,775	80,015	74,743	175,404	142,610	146,108	132,765	176,714	176,714	1,521,610	
Schedule 37	974	1,022	1,036	974	977	975	1,662	1,645	1,645	1,645	1,645	1,645	15,845	
Schedule 38	1,223	1,290	1,284	1,223	1,228	1,222	2,130	2,069	2,069	2,069	2,069	2,069	19,945	
	508,647	418,451	433,566	373,724	409,767	420,287	927,565	683,425	749,313	415,248	546,440	546,440	6,432,873	
Charges														
Schedule 10 Energy	44,703	51,553	49,934	55,780	47,845	47,843	88,538	46,073	70,146	62,872	42,962	42,962	651,211	
Schedule 10 Demand	3,256	3,755	3,638	4,063	3,485	3,486	6,450	3,356	5,110	4,580	3,130	3,130	47,439	
Schedule 10 FERC	28,517	32,023	25,421	24,435	23,146	23,146	35,490	27,118	26,176	22,700	19,683	19,683	307,538	
	76,476	87,331	78,993	84,278	74,476	74,475	130,478	76,547	101,432	90,152	65,775	65,775	1,006,188	
Schedule 11 - Misc	25,605	229,491	325,942	(22)	(33,615)	(33,616)	44,550	44,816	(89,775)	(73,634)	(12)	0	439,730	
Schedule 26	191,844	188,180	145,027	137,331	131,023	130,866	296,774	231,907	229,918	199,389	172,889	172,889	2,228,037	
Schedule 26A	522,709	441,604	369,230	392,176	444,049	443,965	527,130	451,406	404,557	361,555	337,539	337,539	5,033,459	
Total MISO Charges	816,634	946,606	919,192	613,763	615,933	615,690	998,932	804,676	646,132	577,462	576,191	576,203	8,707,414	

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Cost Recovery Rider
Summary of Revenue and Expenses Allocated to North Dakota
Twelve Months Ended June 30, 2022

	Per Books											Projected	Total
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	
SPP													
Revenue/Credits													
Facility Credits	1,005,462	1,005,462	1,005,462	1,005,462	1,192,926	1,099,191	1,099,194	1,138,289	929,201	1,024,743	1,024,117	1,024,117	12,553,626
Charges													
Schedule 1	79,626	67,350	61,045	37,794	45,435	54,195	72,284	61,213	51,574	51,426	32,563	32,563	647,068
Schedule 1a	29,971	33,072	32,038	29,971	33,072	30,056	33,028	51,517	33,708	45,873	39,070	39,070	430,446
Schedule 2	816	7,963	4,019	4,539	4,092	4,203	4,501	4,002	4,008	4,350	4,082	4,082	50,657
Schedule 8	0	0	0	0	0	0	0	0	0	5,068	(2,534)	(2,534)	0
Schedule 9	1,492,410	1,486,355	1,489,233	1,489,233	1,514,181	1,487,225	1,503,675	1,325,804	1,402,363	1,407,543	1,403,671	1,403,671	17,405,364
Schedule 11	188,823	187,874	191,928	190,360	190,272	189,560	189,937	201,714	195,885	197,264	192,549	192,549	2,308,715
Schedule 12	12,896	14,889	10,056	8,230	11,327	12,512	16,933	14,768	11,416	22,200	12,928	12,928	161,083
Total SPP Charges	1,804,542	1,797,503	1,788,319	1,760,127	1,798,379	1,777,751	1,820,358	1,659,018	1,698,954	1,733,724	1,682,329	1,682,329	21,003,333
Total Revenue/Credits:													
Facility Sharing	20,333	20,333	20,333	20,333	20,333	20,337	20,333	20,333	20,333	20,333	20,333	20,333	244,000
MISO	508,647	418,451	433,566	373,724	409,767	420,287	927,565	683,425	749,313	415,248	546,440	546,440	6,432,873
SPP	1,005,462	1,005,462	1,005,462	1,005,462	1,192,926	1,099,191	1,099,194	1,138,289	929,201	1,024,743	1,024,117	1,024,117	12,553,626
Allocated to ND 1/	1,534,442	1,444,246	1,459,361	1,399,519	1,623,026	1,539,815	2,047,092	1,842,047	1,698,847	1,460,324	1,590,890	1,590,890	19,230,499
	1,090,410	1,026,315	1,037,056	994,531	1,153,360	1,094,230	1,453,620	1,308,019	1,206,334	1,036,962	1,129,675	1,129,675	13,660,187
Total Charges:													
MISO	816,634	946,606	919,192	613,763	615,933	615,690	998,932	804,676	646,132	577,462	576,191	576,203	8,707,414
SPP	1,804,542	1,797,503	1,788,319	1,760,127	1,798,379	1,777,751	1,820,358	1,659,018	1,698,954	1,733,724	1,682,329	1,682,329	21,003,333
Allocated to ND 1/	2,621,176	2,744,109	2,707,511	2,373,890	2,414,312	2,393,441	2,819,290	2,463,694	2,345,086	2,311,186	2,258,520	2,258,532	29,710,747
	1,862,669	1,950,028	1,924,021	1,686,942	1,715,666	1,700,835	2,001,950	1,749,445	1,665,222	1,641,150	1,603,753	1,603,761	21,105,442
Net Expense - ND	\$772,259	\$923,713	\$886,965	\$692,411	\$562,306	\$606,605	\$548,330	\$441,426	\$458,888	\$604,188	\$474,078	\$474,086	\$7,445,255

1/ Allocated to ND on Factor 15 Integrated System 12 Month Peak Demand:

2021
71.062334%

2022
71.009009%

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Approved Projects
Actual Year End 2021**

	Prior Filing					Actuals							Average Balance
	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	June 2021	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	
Rate Base													
Plant Balance:													
Bowdle	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270	\$2,267,270
Leola	888,729	888,729	888,729	717,137	734,795	734,795	2,476,705	2,476,705	2,476,705	2,476,705	2,476,705	2,476,705	2,476,705
Dickinson	8,521,367	8,568,328	8,121,633	8,099,077	8,592,421	8,595,454	8,603,431	8,606,269	8,607,066	8,608,304	8,608,304	8,608,304	8,272,166
Watford City	15,500,502	15,616,033	15,617,819	15,618,560	15,618,083	15,618,083	15,804,955	15,805,211	15,812,011	15,730,398	15,730,398	15,730,398	15,730,398
Lightning Protection	379,092	379,092	384,736	384,736	384,736	384,736	384,736	384,736	384,736	384,736	384,736	384,736	385,075
Richland	633,465	542,495	542,570	542,570	542,570	542,570	544,712	544,712	3,340,931	3,365,098	3,424,881	3,524,466	3,524,466
Crosby	1,169,694	1,169,694	1,182,549	1,182,549	1,182,549	1,182,549	1,182,549	1,182,549	1,182,549	1,182,549	1,182,549	1,182,549	1,183,411
Bismarck	997,558	1,007,105	1,029,703	1,034,105	1,034,105	1,034,105	1,034,105	1,034,105	1,034,105	1,034,105	1,034,105	1,034,105	1,037,731
Mandan	0	0	0	0	0	0	0	0	0	0	2,949,036	3,721,650	3,721,650
Mobile Sub	0	0	0	0	0	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995	2,673,995
Total Plant Balance	\$30,357,677	\$30,438,746	\$30,035,009	\$29,846,004	\$30,356,529	\$33,033,557	\$34,972,458	\$34,975,552	\$37,779,368	\$37,723,160	\$40,731,979	\$41,272,867	\$34,293,576
Accumulated Reserve:													
Bowdle	\$60,052	\$63,073	\$66,094	\$69,115	\$72,136	\$75,157	\$78,178	\$81,199	\$84,220	\$87,241	\$90,262	\$93,283	\$93,283
Leola	17,603	18,776	19,949	21,123	22,069	23,039	24,009	27,278	30,548	33,817	37,086	40,355	40,355
Dickinson	96,840	110,719	124,677	138,043	151,370	165,349	179,332	193,329	207,331	221,335	235,340	249,345	249,345
Watford City	189,750	213,934	238,274	262,617	286,961	311,304	335,647	360,306	384,965	409,636	434,169	458,701	458,701
Lightning Protection	6,016	6,502	6,987	7,479	7,972	8,464	8,957	9,449	9,942	10,434	10,927	11,419	11,419
Richland	5,261	6,072	6,767	7,461	8,156	8,850	9,545	10,242	10,939	15,327	19,747	24,247	24,247
Crosby	13,777	15,753	17,730	19,729	21,727	23,726	25,724	27,723	29,721	31,720	33,718	35,717	35,717
Bismarck	1,298	2,615	3,944	5,303	6,668	8,033	9,398	10,763	12,128	13,493	14,858	16,223	16,223
Mandan	0	0	0	0	0	0	0	0	0	0	0	4,015	4,015
Mobile Sub	0	0	0	0	0	0	3,530	7,059	10,589	14,119	17,648	21,178	21,178
Total Accumulated Reserve	\$390,597	\$437,444	\$484,422	\$530,870	\$577,059	\$623,922	\$674,320	\$727,348	\$780,383	\$837,122	\$893,755	\$954,483	\$659,310
Net Plant in Service	\$29,967,080	\$30,001,302	\$29,550,587	\$29,315,134	\$29,779,470	\$32,409,635	\$34,298,138	\$34,248,204	\$36,998,985	\$36,886,038	\$39,838,224	\$40,318,384	\$33,634,265
Accum Def Income Taxes 1/	\$335,260	\$366,548	\$394,678	\$419,750	\$441,660	\$462,503	\$479,855	\$493,715	\$504,194	\$511,182	\$514,789	\$514,900	\$514,900
Total Rate Base	\$29,631,820	\$29,634,754	\$29,155,909	\$28,895,384	\$29,337,810	\$31,947,132	\$33,818,283	\$33,754,489	\$36,494,791	\$36,374,856	\$39,323,435	\$39,803,484	\$33,181,012
Return on Rate Base 2/	\$181,841	\$181,859	\$178,920	\$177,321	\$180,036	\$196,049	\$207,532	\$207,140	\$223,956	\$223,220	\$241,315	\$244,261	\$2,443,450
Expenses													
Operating Expenses													Year End
Depreciation:													
Bowdle	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021
Leola	1,173	1,173	1,173	1,173	947	970	970	3,269	3,269	3,269	3,269	3,269	3,269
Dickinson	14,103	13,879	13,958	13,365	13,327	13,979	13,984	13,997	14,002	14,003	14,005	14,005	14,005
Watford City	24,020	24,183	24,340	24,343	24,344	24,343	24,343	24,659	24,659	24,671	24,533	24,533	24,533
Lightning Protection	486	485	485	492	492	492	492	492	492	492	492	492	492
Richland	798	811	694	694	694	694	694	697	697	4,388	4,420	4,499	4,499
Crosby	1,977	1,977	1,977	1,999	1,999	1,999	1,999	1,999	1,999	1,999	1,999	1,999	1,999
Bismarck	1,298	1,317	1,329	1,359	1,365	1,365	1,365	1,365	1,365	1,365	1,365	1,365	1,365
Mandan	0	0	0	0	0	0	0	0	0	0	0	0	4,015
Mobile Sub	0	0	0	0	0	0	3,530	3,530	3,530	3,530	3,530	3,530	3,530
Total Depreciation	\$46,876	\$46,846	\$46,977	\$46,446	\$46,189	\$46,863	\$50,398	\$53,029	\$53,034	\$56,738	\$56,634	\$60,728	\$610,758
Property Tax 3/	10,984	10,984	10,984	10,984	10,984	25,002	25,002	25,002	25,002	25,002	25,002	24,999	229,931
Total Expenses	\$57,860	\$57,830	\$57,961	\$57,430	\$57,173	\$71,865	\$75,400	\$78,031	\$78,036	\$81,740	\$81,636	\$85,727	\$840,689
Income before Taxes (EBIT)	(\$57,860)	(\$57,830)	(\$57,961)	(\$57,430)	(\$57,173)	(\$71,865)	(\$75,400)	(\$78,031)	(\$78,036)	(\$81,740)	(\$81,636)	(\$85,727)	(\$840,689)
Interest Expense	58,128	58,134	57,194	56,683	57,551	62,670	66,340	66,215	71,591	71,355	77,139	78,081	781,081
Taxable income	(\$115,988)	(\$115,964)	(\$115,155)	(\$114,113)	(\$114,724)	(\$134,535)	(\$141,740)	(\$144,246)	(\$149,627)	(\$153,095)	(\$158,775)	(\$163,808)	(\$1,621,770)
Income Taxes 4/	(\$28,307)	(\$28,301)	(\$28,103)	(\$27,849)	(\$27,998)	(\$32,833)	(\$34,592)	(\$35,203)	(\$36,516)	(\$37,363)	(\$38,749)	(\$39,977)	(\$395,791)
Operating Income	(\$29,553)	(\$29,529)	(\$29,858)	(\$29,581)	(\$29,175)	(\$39,032)	(\$40,808)	(\$42,828)	(\$41,520)	(\$44,377)	(\$42,887)	(\$45,750)	(\$444,898)
Revenue Requirement	\$279,640	\$279,632	\$276,179	\$273,698	\$276,752	\$310,974	\$328,513	\$330,667	\$351,181	\$353,987	\$375,953	\$383,637	\$3,820,813

Note: Footnotes outlined on Exhibit 5, page 5.

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Approved Projects
Actual Year End 2021**

Factor 15-Integrated Sys. 12 2021
Month Peak Demand 71.062334%

1/ Monthly Deferred Income Tax activity is 1/12 of 2021 DIT activity. Monthly activity prorated based on DIT proration methodology.

North Dakota DIT activity 2021: 473,887
Estimated Jan. - May from prior filing: 185,995
Remaining DIT: June - Dec. 287,892
Monthly: 41,127 (June - December 2021)

June	July	August	September	October	November	December
50.68%	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
20,843	17,352	13,860	10,479	6,988	3,607	111

2/ Authorized capital structure with authorized return on equity from most recent rate case.

	Ratio	Cost		
Long Term Debt	42.673%	5.245%	2.238%	
Short Term Debt	4.840%	2.402%	0.116%	2.354%
Preferred Equity	1.084%	4.579%	0.050%	
Common Equity	<u>51.403%</u>	<u>9.650%</u>	<u>4.960%</u>	
	100.000%		7.364%	

3/ Property tax:

2021 Allocated Property Tax: 240,796
ND Fac. #15: 71.062334%
ND Allocated Property Tax: 171,115
ND Direct Property Tax: 58,816
Total 2021 ND Property Tax: 229,931
Less: Jan-May 2021 from prior filing: 54,920
ND Property Tax: 175,011
Monthly: 25,002 (June - December 2021)

4/ Income Tax Rate:

Tax Rate 24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
1- tax rate 75.5951%

Summary of MISO and SPP Revenues, Credits, and Charges

Revenue or Credits Received by Montana-Dakota

Facility Sharing Agreement:	Revenue received from Basin Electric Power Cooperative (BEPC) for the use of Montana-Dakota's facilities to serve BEPC member cooperative loads.
MISO Schedule 1:	Revenue received for Montana-Dakota's scheduling and administration of moving power through MISO.
MISO Schedule 2:	Revenue received for Montana-Dakota's maintenance of voltage on the system.
MISO Schedule 7:	Revenue received by Montana-Dakota for Firm Point to Point Transmission Service.
MISO Schedule 8:	Revenue received by Montana-Dakota for Non-Firm Point to Point Transmission Service.
MISO Schedule 9:	Revenue received by Montana-Dakota for Network Integration Transmission Service (NITS). This revenue is then offset to reflect the revenue requirements of BEPC member cooperatives received by Montana-Dakota from MISO for transmission service in Montana-Dakota's pricing zone that are in turn paid to BEPC.
MISO Schedule 24:	Revenue received by Montana-Dakota as a Load Balancing Authority which it receives for services provided to others in MISO.

Expenses Paid by Montana-Dakota

MISO Schedule 10: (Energy, Demand, FERC assessments)	Charges paid by Montana-Dakota for MISO Schedule 10 charges and direct FERC assessments. As transmission providers, both MISO, on behalf of Montana-Dakota, and Montana-Dakota are assessed annual charges by the FERC in accordance with FERC regulations.
MISO Schedule 26:	Reflects MISO's 2021 and 2022 indicative charges for Pricing Zone for Approved Baseline Reliability Projects, Generation Interconnection Projects, and Market Efficiency Projects. The Schedule 26 charges reflect Montana-Dakota's share of costs for projects that qualify for regional cost allocation under the MISO tariff.

<p>MISO Schedule 26A:</p>	<p>Reflect Montana-Dakota's forecasted load at the indicative charge with Montana-Dakota's share of the Big Stone South to Ellendale (BSSE) retail revenue requirement stated separately. Montana-Dakota's share of the BSSE retail revenue requirement reflects the estimated retail portion of the BSSE project using Montana-Dakota's load share within the MISO footprint and the Company's projected MISO Attachment MM revenue requirement for MTEP Project 2220 (BSSE MVP Project). The BSSE MVP project is one of seventeen MVPs approved by MISO as part of the MTEP 2011 report. Schedule 26A is charged equally to all MISO load for recovery of MISO's MVP portfolio.</p>
<p>SPP Schedule 1:</p>	<p>Charges paid by Montana-Dakota to SPP for the scheduling and administration of power through SPP.</p>
<p>SPP Schedule 1a:</p>	<p>Charges paid by Montana-Dakota to SPP for SPP's administration of the market and transmission system.</p>
<p>SPP Schedule 9:</p>	<p>Charges paid by Montana-Dakota for Network Integration Transmission Service. Also reflected are the payments (SPP Section 30.9 Facility Credits) made for SPP's use of Montana-Dakota's transmission facilities.</p>
<p>SPP Schedule 11:</p>	<p>Charges paid by Montana-Dakota associated with Highway Byway cost allocated network upgrades. A network customer's firm network transmission charge is a combination of Schedules 9 and 11.</p>
<p>SPP Schedule 12:</p>	<p>The FERC assessments to SPP associated with Montana-Dakota's loads on the SPP system, similar to MISO's Schedule 10 charges.</p>

Montana-Dakota Utilities Co.
Electric Utility
MISO Revenue Schedules 1, 2, 7, 8, and 24
Projected Twelve Months Ending June 2023

	<u>Schedule 1 1/</u>	<u>Schedule 2 1/</u>	<u>Schedule 7 1/</u>	<u>Schedule 8 1/</u>	<u>Schedule 24 1/</u>
July 2022	\$8,088	\$8,533	\$45,473	\$13,680	\$69,479
August	8,088	8,533	45,473	13,680	69,479
September	8,088	8,533	45,473	13,680	69,479
October	8,088	8,533	45,473	13,680	69,479
November	8,088	8,533	45,473	13,680	69,479
December	8,088	8,533	45,473	13,680	69,479
January 2023	8,088	8,533	45,473	13,680	69,479
February	8,088	8,533	45,473	13,680	69,479
March	8,088	8,533	45,473	13,680	69,479
April	8,088	8,533	45,473	13,680	69,479
May	8,088	8,533	45,473	13,680	69,479
June	8,091	8,533	45,469	13,685	69,475
Total	<u>\$97,059</u>	<u>\$102,396</u>	<u>\$545,672</u>	<u>\$164,165</u>	<u>\$833,744</u>

1/ Reflects twelve months ended May 31, 2022 per books.

**Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 10 Expenses
Projected Twelve Months Ending June 2023**

	Schedule 10 1/			
	MISO - Energy	MISO - Demand	FERC - Direct	Total
July 2022	\$54,915	\$4,000	\$25,931	\$84,846
August	54,915	4,000	25,931	84,846
September	54,915	4,000	25,931	84,846
October	54,915	4,000	25,931	84,846
November	54,915	4,000	25,931	84,846
December	54,915	4,000	25,931	84,846
January 2023	54,915	4,000	25,931	84,846
February	54,915	4,000	25,931	84,846
March	54,915	4,000	25,931	84,846
April	54,915	4,000	25,931	84,846
May	54,915	4,000	25,931	84,846
June	54,913	4,004	25,935	84,852
Total	\$658,978	\$48,004	\$311,176	\$1,018,158

1/ Reflects twelve months ended May 31, 2022 per books.

Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 26 Expense
Projected Twelve Months Ending June 2023

	<u>Charges 1/</u>
July 2022	\$217,657
August	217,657
September	217,657
October	217,657
November	217,657
December	217,657
January 2023	276,600
February	276,600
March	276,600
April	276,600
May	276,600
June	276,600
Total	<u><u>\$2,965,542</u></u>

1/ Schedule 26 indicative costs posted by MISO as of May 4, 2022:

2022 Indicative Charge	\$2,611,883
2023 Indicative Charge	\$3,319,205

**Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 26A Expenses
Projected Twelve Months Ending June 2023**

	BSSE MVP Project		All Other MVP Projects		Total Schedule 26A Expenses	A&G Revenue Credit 5/
	Revenue Requirement 1/	Integrated System Retail Revenue Requirement 2/	Total Integrated Requirements MWH 3/	Total MVP Charges (excl. BSSE Retail Rev. Req.) 4/		
July 2022	\$1,114,147	\$7,688	285,437	\$463,283	\$470,971	\$70,222
August	1,114,147	7,688	271,965	441,054	448,742	70,222
September	1,114,147	7,688	244,704	396,074	403,762	70,222
October	1,114,147	7,688	248,755	402,758	410,446	70,222
November	1,114,147	7,688	273,480	443,554	451,242	70,222
December	1,114,147	7,688	313,443	509,493	517,181	70,222
January 2023	1,114,147	7,688	325,467	496,786	504,474	70,222
February	1,114,147	7,688	295,640	450,554	458,242	70,222
March	1,114,147	7,688	289,165	440,518	448,206	70,222
April	1,114,147	7,688	244,046	370,583	378,271	70,222
May	1,114,147	7,688	241,707	366,958	374,646	70,222
June	1,114,150	7,688	249,348	378,801	386,489	70,217
Total	\$13,369,767	\$92,256	3,283,157	\$5,160,416	\$5,252,672	\$842,659

1/ Montana-Dakota's Projected 2022 Revenue Requirement (Attachment MM) for the BSSE MVP projected to be recovered under Schedule 26A. \$13,369,767

2/ Montana-Dakota's estimated retail portion of its BSSE project based on Montana-Dakota's load ratio share in the MISO footprint: 0.69% 6/

3/ 2022-2023 Electric Load Forecast.

4/ Montana-Dakota's Indicative Annual MVP Charges for Approved MVPs as of May 4, 2022:

2022 Indicative Charge	\$1.65	July through December 2022
2023 Indicative Charge	\$1.55	January through June 2023

5/ Revenue credit for administrative and general O&M expenses recovered through MISO Attachment MM

Montana-Dakota's Projected 2022 Attachment MM's Other O&M Expense, Line 4b	0.68%
Projected Gross Plant in Service from Attachment MM	<u>\$123,920,445</u>
Annual A&G Retail Credit	\$842,659

6/ Montana-Dakota's total MVP charges including the BSSE project.

MDU Projected 2023 MWh Withdrawals - May 4, 2022 update	3,272,208
Total MISO MWh Withdrawals	474,376,768
Montana-Dakota's load share in MISO footprint	0.69%

Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 9 Revenue, BEPC Payments & Credits, and
Facility Sharing Agreement Revenue
Projected Twelve Months Ending June 2023

	MISO Sch 9 Revenue 1/	Payments to Basin 2/	Basin Facility Sharing Agreements 3/
July 2022	\$312,396	(\$49,284)	\$20,333
August	312,396	(49,284)	20,333
September	312,396	(49,284)	20,333
October	312,396	(49,284)	20,333
November	312,396	(49,284)	20,333
December	312,396	(49,284)	20,333
January 2023	312,396	(49,284)	20,333
February	312,396	(49,284)	20,333
March	312,396	(49,284)	20,333
April	312,396	(49,284)	20,333
May	312,396	(49,284)	20,333
June	312,398	(49,287)	20,337
Total	<u>\$3,748,754</u>	<u>(\$591,411)</u>	<u>\$244,000</u>

1/ Reflects twelve months ended May 31, 2022 per books.

2/ NITS Customer Revenue Requirements included in Projected 2021 Attachment O as of February 2021.

3/ Annual Facility Sharing Agreement revenue of \$244,000.

**Montana-Dakota Utilities Co.
Electric Utility
SPP Revenue and Expenses
Projected Twelve Months Ending June 2023**

	Charges 1/				Revenues 2/	
	SPP Sch 1	SPP Sch 1a	Sch 9 NITS	SPP Sch 11	SPP Sch 12	Sch 9 Fac. Credit
July 2021	\$53,940	\$35,371	\$1,458,241	\$192,028	\$13,151	\$1,024,237
August	53,940	35,371	1,458,241	192,028	13,151	1,024,237
September	53,940	35,371	1,458,241	192,028	13,151	1,024,237
October	53,940	35,371	1,458,241	192,028	13,151	1,024,237
November	53,940	35,371	1,458,241	192,028	13,151	1,024,237
December	53,940	35,371	1,458,241	192,028	13,151	1,024,237
January 2022	53,940	35,371	1,458,241	192,028	13,151	1,024,237
February	53,940	35,371	1,458,241	192,028	13,151	1,024,237
March	53,940	35,371	1,458,241	192,028	13,151	1,024,237
April	53,940	35,371	1,458,241	192,028	13,151	1,024,237
May	53,940	35,371	1,458,241	192,028	13,151	1,024,237
June	53,940	35,367	1,458,243	192,029	13,147	1,024,237
Total	\$647,280	\$424,448	\$17,498,894	\$2,304,337	\$157,808	\$12,290,844

1/ Reflects twelve months ended May 31, 2022 per books.

2/ SPP Section 30.9 Facility Credits for 2022.

Notice of Annual Update to the Transmission Cost Adjustment Filed with the North Dakota Public Service Commission

On July 15, 2022, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the North Dakota Public Service Commission (Commission) to update its Transmission Cost Adjustment (TCA) rates in accordance with the Company's Transmission Cost Adjustment Rate 59 tariff that states the rates will be revised annually to reflect the current level of costs to be recovered.

The proposed TCA rates include North Dakota's allocation of transmission related net expenses assessed by both the Midcontinent Independent System Operator (MISO) and the Southwest Power Pool (SPP) for transmission-related services currently not being recovered through the Company's electric service rates, the inclusion of specified transmission related capital projects, and a projected over-recovery of the deferred TCA balance.

Montana-Dakota has requested the proposed TCA rates be effective with service rendered on and after November 1, 2022, subject to Commission review and approval. The changes are only being proposed at this time and, if rates are suspended by the Commission, the new rates will not be effective until Commission action has been taken.

If approved, a residential customer using 894 KWh will see a decrease of \$0.87 per month or a decrease of \$10.44 annually. The TCA is shown as a separate line item on your bill.

	Residential & Small General
Applicable Rate Schedules	10, 13, 16, 20, 25, & 40
Proposed Rate	\$0.00704 per KWh
Current Rate	\$0.00801 per KWh
Change	(\$0.00097) per KWh
	Large General & Contracts
Applicable Rate Schedules	30, 31, 32, 38, & 48
Proposed Rate	\$0.00562 per KWh
Current Rate	\$0.00636 per KWh
Change	(\$0.00074) per KWh
	Lighting
Applicable Rate Schedules	41 & 52
Proposed Rate	\$0.00351 per KWh
Current Rate	\$0.00360 per KWh
Change	(\$0.00009) per KWh

For more information, please contact a Montana-Dakota representative at 1-800-638-3278.