



UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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

November 1, 2022

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

Re: Annual Update to the Generation Resource Recovery Rate 56 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 Generation Resource Recovery Rate (GRRR) 56 tariff pursuant to the terms of Rate 56 tariff which states that “[t]he GRRR will be adjusted annually to reflect the Company’s most recent projected capital costs and related expenses for projects determined to be recoverable under this schedule.” Montana-Dakota requests approval of its 9th Revised Sheet No. 40.1 of its electric tariffs, provided herein as Exhibit 1, to be effective with service rendered on and after February 1, 2023.

Montana-Dakota is herein providing an update to its GRRR to illustrate projected costs through December 31, 2023 related to the Company’s investment in the Lewis & Clark RICE units. The total projected 2023 costs as allocated to North Dakota are \$3,210,496. The Company has included the Financial Incentive related to its Power Purchase Agreement (PPA) pursuant to the Order in Case No. PU-21-373. The 2023 projected Financial Incentive allocated to North Dakota is \$34,988. The 2023 GRRR rates also reflect an over-recovered balance of the current GRRR costs of \$111,801 inclusive of the Financial Incentive actuals for 2021 and 2022. The total net cost is \$3,133,683. The total cost to be recovered through the rates represents a decrease of \$255,912 from the revenues currently being collected under the GRRR. All costs to be recovered through the GRRR rates are currently not being recovered through Montana-Dakota’s North Dakota retail electric rates.

	Current Filing	Prior Filing	Variance
Revenue Requirement RICE	\$3,210,496	\$3,422,466	(\$211,970)
Revenue Requirement Financial Incentive	34,988	0	34,988
Over Recovery Balance:	(111,801)	(32,871)	(78,930)
	\$3,133,683	\$3,389,595	(\$255,912)

A residential customer using 894 Kwh would see a total decrease of \$0.13 per month or \$1.56 per year from that currently authorized charge under Rate 56. This change will constitute a decrease of approximately 0.12% in a residential customer's total bill. The GRRR rates, as proposed, are shown below, along with the change from the current rates implemented February 1, 2022:

	Proposed Rate	Current Rate	Change
Residential / Small General Rate/Kwh	\$0.00171	\$0.00185	(\$0.00014)
Large General/KW	\$0.49446	\$0.54680	(\$0.05234)
Space Heating/KW	\$0.22240	\$0.23976	(\$0.01736)
Lighting/Kwh	\$0.00084	\$0.00091	(\$0.00007)

On August 5, 2020 the Commission approved the Modified Settlement Agreement in Case Nos. PU-19-306, PU-19-307, and PU-19-317 granting the inclusion of deferred accounting of costs related to the retirement of Lewis & Clark Unit I and Heskett Unit I and Unit II in its GRRR. The annual reduction in the revenue requirement resulting from the closure is offset (or credited against) the costs. The accelerated depreciation and decommissioning costs, net of the offset associated with the excess deferred income taxes, is to include a rate of return on the unamortized balance. Employee related costs are to be recovered without the application of a rate of return. All costs are to be included and evaluated in future GRRR filings until the revenue recovery is reflected in base rates in a general rate case.

On May 16, 2022 the Company filed a rate case with the Commission in Case No. PU-22-194. The Company proposed to move the revenue requirement associated with Lewis & Clark Unit II (RICE) to base rates, and the revenue requirement related to the Lewis & Clark Unit I and Heskett Unit I and Unit II retirements into its GRRR. If approved, the GRRR would no longer report expenses related to Lewis & Clark RICE, but will report the deferred costs, amortization, and revenue requirement related to the retirement of Lewis & Clark Unit I and Heskett Unit I and Unit II. On July 14, 2022 the Commission approved the Company's interim request inclusive of a 10-year amortization of deferred costs of \$4,469,917. Upon approval of final rates, the Company will provide a supplemental filing reflecting movement of Lewis & Clark RICE to base rates and the revenue requirement associated with the amortization of deferred costs to the GRRR.

On August 17, 2021 the Company filed with the Commission for the approval of an Application of Rate Treatment of a Financial Incentive related to a Power Purchase Agreement pursuant to North Dakota Century Code ("N.D.C.C") § 49-06-02 in Case No. PU-21-373. Additionally, the Company requested to include this rate in the GRRR – Rate 56. On April 13, 2022 the Commission granted the Financial Incentive Rate to be

included in the GRRR with an annual recovery rate of 0.79%. Effective February 1, 2023, the Company requests the recovery rate to reflect the 5-year treasury rate updated monthly.

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:

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

Montana-Dakota's request will result in a decrease in rates; therefore, a fee of \$50 via ACH will be submitted following this filing. In the event the Commission deems an additional deposit is required, Montana-Dakota will submit the required fees.

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

Please contact me at 701.222.7855 or travis.jacobson@mdu.com with any questions.

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 to Update its Generation Resource) Case No. PU-22-____
Recovery Rider Rate 56 Tariff)

I. Summary of Application

Montana-Dakota Utilities Co. (Montana-Dakota or Company) herewith submits this Application to provide an update of its Generation Resource Recovery Rate 56 projected costs through December 2023 related to the Company’s investment in the Lewis & Clark RICE units and the Financial Incentive related to its Power Purchase Agreement (PPA). Montana-Dakota has also provided the informational update for deferred accounting treatment of costs related to the retirements of the Lewis & Clark Unit I and Heskett Unit I and Unit II. Montana-Dakota respectfully requests approval of its Generation Resource Recovery Rate 56 tariff 9th Revised Sheet No. 40.1 to be effective with service rendered on and after February 1, 2023. In support of the Company’s Application, Montana-Dakota is providing the following Exhibits:

- Exhibit 1 – Generation Resource Recovery Rate 56 9th Revised Sheet No. 40.1
- Exhibit 2 – Generation Resource Recovery Rate Proposed Rates
- Exhibit 3 – Projected 2023 Lewis & Clark RICE Units Revenue Requirement
- Exhibit 4 – Projected 2023 PPA Incentive Revenue Requirement
- Exhibit 5 – Balancing Account Summary with Carrying Charge Calculation, 2021 and 2022 Monthly Revenue Requirement Calculation
- Exhibit 6 – Lewis & Clark Unit I and Heskett Unit I and Unit II Regulatory Assets Recovery/Amortization
- Exhibit 7 – Customer Filing Notice

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 N.D.C.C 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 93,621 customers in North Dakota as of September 30, 2022.

III. Background of Generation Resource Recovery Rider Rate 56

On February 27, 2014, Montana-Dakota filed an application with the Commission for approval of a Generation Resource Recovery Rider (GRRR) tariff and proposed rates in Case Nos. PU-14-108 and PU-14-109 in order to recover North Dakota's share of the Company's investment in the Heskett III Combustion Turbine Station (Heskett III). On July 24, 2014, an amended Settlement Agreement was submitted to the Commission revising the administration of the rates to exclude the lighting rate schedules and special contract customers. On August 20, 2014, the Commission approved the amended Settlement Agreement. On November 14, 2014, Montana-Dakota filed its first GRRR rates under Rate 56. The Commission approved the GRRR rates on January 7, 2015 and they were implemented on January 9, 2015. Pursuant to the Settlement in Case No. PU-16-666 approved by the Commission on June 16, 2017, Lewis & Clark RICE units are recovered through the GRRR rider rates and were

effective with service rendered on and after August 7, 2017. On April 13, 2022, in Case No. PU-21-373, the Commission issued an order allowing a Financial Incentive Rate to be included in the GRRR with an annual recovery rate of 0.79%. At the time of the Company's filing, the current 5-year treasury rate was 0.79% and the Company's borrowing rate was approximately the same. Since the date of the Order, the 5-year treasury rate has increased to the current rate of 4.06%. Likewise, the Company's cost of borrowing has also experienced a similar increase. For that reason, Montana-Dakota is proposing to update the Financial Incentive to match the monthly average of the 5-year treasury rate effective February 1, 2023.

Montana-Dakota's currently authorized GRRR rates reflect the projected 2022 revenue requirement for the Lewis & Clark RICE units and the amortization of the over collected balance in Case No. PU-21-421.

The Company is proposing the rates proposed herein be effective with service rendered on and after February 1, 2023. As discussed below, upon the approval of Case No. PU-22-194 the Company will provide a supplemental filing reflecting movement of Lewis & Clark RICE out of the GRRR and into base rates and the revenue requirement associated with the amortization of deferred costs related to the retirement of Lewis & Clark Unit I and Heskett Unit I and Unit II into the GRRR.

IV. Calculation of the Proposed GRRR Rates

The following exhibits are included herein in support of the Company's proposed GRRR rates and in accordance with the Company's Rate 56 tariff:

- *Exhibit 2* shows the derivation of the proposed GRRR rates and the allocation of the total costs to each of the rate classes, including all special contracts. Total costs to be recovered, \$3,133,683, include the projected 2023 revenue requirements for the Lewis & Clark RICE unit, the Financial Incentive related to the Power Purchase Agreement, and a projected over-recovered balance of \$111,801 which includes actuals for the Financial Incentive for 2021 and 2022. Projected costs are then allocated to the rate classes based on the Company's Demand - 12 CP Factor No. 2. The Demand Factor No. 2 from Case No. PU-16-666 has previously been updated to reflect the inclusion of the special contract rate customers.
- *Exhibit 3* shows the projected monthly revenue requirements for the Lewis & Clark RICE unit for the year ending December 2023. The revenue requirement is comprised of:
 - Average rate base of \$23,718,925.
 - Return: reflective of the projected 2023 Capital Structure and a Return on Equity of 9.65% authorized in the Company's last electric rate case (Case No. PU-16-666).
 - Depreciation Expense: annual depreciation rate of 2.5% based on a 40-year life as authorized in Case No. PU-16-666. In Case No. PU-22-194, the Company has proposed updated depreciation rates that will be implemented upon approval.
 - Taxes Other than Income: reflective of projected property taxes.
 - Income Taxes: current federal and state income tax rates.

- *Exhibit 4* shows the projected monthly revenue requirements for the Financial Incentive related to the Power Purchase agreement for the year ending December 2023. The revenue requirement is comprised of:
 - Incentive Rate: reflective of the five-year treasury rate at the time of the filing authorized in Case No. PU-21-373.
- *Exhibit 5* shows the projected GRRR Balancing Account (per Paragraph 2d of Rate 56) through January 2023 including actuals for the Financial Incentive Rate for 2021 and 2022. The over recovered balance includes a carrying charge based on the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

V. Estimated Impact by Customer Class

As shown in Exhibit 2, Montana-Dakota’s projected 2023 costs to be recovered under the GRRR rates are \$3,133,683. A residential customer using 894 Kwh would see a decrease of \$0.13 per month, or \$1.56 annually. Montana-Dakota requests approval of the following GRRR rates to be effective February 1, 2023.

	Proposed Rate	Current Rate	Change
Residential / Small General Rate/Kwh	\$0.00171	\$0.00185	(\$0.00014)
Large General/KW	\$0.49446	\$0.54680	(\$0.05234)
Space Heating/KW	\$0.22240	\$0.23976	(\$0.01736)
Lighting/Kwh	\$0.00084	\$0.00091	(\$0.00007)

Montana-Dakota’s request will result in a decrease in rates; therefore, a fee of \$50 via ACH will be submitted following this filing. In the event the Commission deems an additional deposit is required, Montana-Dakota will submit the required fees.

VI. Heskett and Lewis and Clark

On August 5, 2020, the Commission approved Montana-Dakota's application for deferred accounting treatment of costs related to the retirement of Lewis & Clark Unit I and Heskett Unit I and Unit II in Case Nos. PU-19-306, PU-19-307, and PU-19-317. The Agreement allows the Company to defer the costs associated with the accelerated depreciation, decommissioning, employee related costs, and an offset associated with excess deferred income taxes. The annual reduction in the revenue requirement resulting from the closure is offset by the costs discussed above. Lewis & Clark Unit I ceased operations on March 31, 2021, and Heskett Unit I and Unit II ceased operations on February 25, 2022. Exhibit 6 shows the retirements of Lewis & Clark Unit I and Heskett Unit I and Unit II through the year ending December 2023.

On May 16, 2022 the Company filed a rate case with the Commission in Case No. PU-22-194. The Company proposed to move the revenue requirement for Lewis & Clark Unit II (RICE) to base rates, and the revenue requirement for the deferred costs related to the Lewis & Clark Unit I and Heskett Unit I and Unit II retirements into its GRRR. If approved the Company will provide a supplemental filing reflecting the movement of revenues and expenses related to Lewis & Clark RICE and amortization of deferred costs. The GRRR will continue to report the deferred costs and amortization related to the retirement of Lewis & Clark Unit I and Heskett Unit I and Unit II, and additionally report the revenue requirement. Upon approval of final rates, the Company will remove deferred costs for the plant retirements from base rates and place in the GRRR. On July 14, 2022 the Commission approved the Company's interim request inclusive of a 10-year amortization of deferred costs for the plant retirements.

VII. Conclusion

Montana-Dakota respectfully requests that the Commission approve this annual update to the Company's GRRR rates applicable under Generation Resource Recovery Rider Rate 56 tariff to be effective with service rendered on and after February 1, 2023.

Dated this 1st day of November 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

9th Revised Sheet No. 40.1

Canceling 8th Revised Sheet No. 40.1

Generation Resource Recovery Rider Rate 56

Page 2 of 2

2. Generation Resource Recovery Rider:

Residential & Small General	0.171¢ per Kwh
Large General	49.446¢ per KW
General Space Heating Rate 32	22.240¢ per KW
Lighting	0.084¢ per Kwh

Date Filed: November 1, 2022

Effective Date:

Issued By: Travis R. Jacobson
Director – Regulatory Affairs

Case No.: PU-22-__

Tariffs 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

~~89~~⁸⁹th Revised Sheet No. 40.1

Canceling ~~78~~⁷⁸th Revised Sheet No. 40.1

Generation Resource Recovery Rider Rate 56

Page 2 of 2

2. Generation Resource Recovery Rider:

Residential & Small General	0.1850.171 ¢ per Kwh
Large General	54.68049.446 ¢ per KW
General Space Heating Rate 32	23.97622.240 ¢ per KW
Lighting	0.0940.084 ¢ per Kwh

Date Filed: November 1, 2021~~2~~

Effective Date: ~~Service rendered on and after February 1, 2022~~

Issued By: Travis R. Jacobson
Director – Regulatory Affairs

Case No.: PU-21-421~~22~~-

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Proposed 2023 Generation Rider Rates**

	<u>Total</u>
Projected 2023 Revenue Requirement RICE 1/	\$3,210,496
Projected 2023 Revenue Requirement PPA 2/	34,988
Projected January 2023 (Over)/Under Collection 3/	(111,801)
Total Cost to be Recovered through GRRR Rates	<u><u>\$3,133,683</u></u>

<u>Allocation of Costs & Proposed Rates</u>	<u>Allocated GRRR Costs 4/</u>	<u>Projected Billing Determinants</u>	<u>Proposed GRRR Rates</u>
Residential & Small General	\$1,472,084	858,418,977 Kwh	\$0.00171 per Kwh
Large General	1,586,873	3,209,317 KW	\$0.49446 per KW
Space Heating Rate 32	60,145	270,438 KW	\$0.22240 per KW
Lighting	14,581	17,300,497 Kwh	\$0.00084 per Kwh
	<u><u>\$3,133,683</u></u>		

<u>Change in Rates</u>	<u>Proposed GRRR Rates</u>	<u>Current GRRR Rates 5/</u>	<u>Change in GRRR Rates</u>
Residential & Small General	\$0.00171	\$0.00185	(\$0.00014)
Large General	\$0.49446	\$0.54680	(\$0.05234)
Space Heating Rate 32	\$0.22240	\$0.23976	(\$0.01736)
Lighting	\$0.00084	\$0.00091	(\$0.00007)

1/ Exhibit 3

2/ Exhibit 4

3/ Exhibit 5

4/ Demand Allocation Factor 2:

Residential & Small General	46.976176%	(Rates 10, 13, 16, 20, 25, 26, and 40)
Large General	50.639222%	(Rates 30, 31, 38, 48, and contracts)
Space Heating Rate 32	1.919302%	(Rate 32)
Lighting	0.465300%	(Rates 41, 52)
	<u><u>100.000000%</u></u>	

5/ Current GRRR rates effective February 1, 2022 in case No. PU-21-421.

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Lewis & Clark RICE
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													
Total Plant Balance	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361
Total Accumulated Reserve	\$5,731,482	\$5,800,468	\$5,869,454	\$5,938,440	\$6,007,426	\$6,076,412	\$6,145,398	\$6,214,384	\$6,283,370	\$6,352,356	\$6,421,342	\$6,490,328	\$6,110,905
Net Plant in Service	\$27,642,879	\$27,573,893	\$27,504,907	\$27,435,921	\$27,366,935	\$27,297,949	\$27,228,963	\$27,159,977	\$27,090,991	\$27,022,005	\$26,953,019	\$26,884,033	\$27,263,456
Accum Def Income Taxes 1/	\$3,482,087	\$3,499,092	\$3,514,381	\$3,528,008	\$3,539,916	\$3,550,162	\$3,558,692	\$3,565,505	\$3,570,657	\$3,574,092	\$3,575,865	\$3,575,920	
Total Rate Base	\$24,160,792	\$24,074,801	\$23,990,526	\$23,907,913	\$23,827,019	\$23,747,787	\$23,670,271	\$23,594,472	\$23,520,334	\$23,447,913	\$23,377,154	\$23,308,113	\$23,718,925
Return on Rate Base 2/	\$142,569	\$142,061	\$141,564	\$141,077	\$140,599	\$140,132	\$139,674	\$139,227	\$138,790	\$138,362	\$137,945	\$137,537	\$1,679,537
Expenses													
Operating Expenses													Total
Total Depreciation	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	\$68,986	827,832
Property Tax	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,713	332,534
Total Expenses	\$96,697	\$96,697	\$96,697	\$96,697	\$96,697	\$96,697	\$96,697	\$96,697	\$96,697	\$96,697	\$96,697	\$96,699	\$1,160,366
Income before Taxes (EBIT)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,699)	(\$1,160,366)
Interest Expense 2/	43,852	43,696	43,543	43,393	43,246	43,102	42,962	42,824	42,689	42,558	42,430	42,304	516,599
AFUDC Equity Add Back	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,194	14,317
Taxable income	(\$139,356)	(\$139,200)	(\$139,047)	(\$138,897)	(\$138,750)	(\$138,606)	(\$138,466)	(\$138,328)	(\$138,193)	(\$138,062)	(\$137,934)	(\$137,809)	(\$1,662,648)
Income Taxes 3/	(\$34,010)	(\$33,972)	(\$33,934)	(\$33,898)	(\$33,862)	(\$33,827)	(\$33,792)	(\$33,759)	(\$33,726)	(\$33,694)	(\$33,663)	(\$33,632)	(\$405,769)
Less: ARAM Amortization	596	596	596	596	596	596	596	596	596	596	596	601	7,157
Net Income Taxes	(\$34,606)	(\$34,568)	(\$34,530)	(\$34,494)	(\$34,458)	(\$34,423)	(\$34,388)	(\$34,355)	(\$34,322)	(\$34,290)	(\$34,259)	(\$34,233)	(\$412,926)
Operating Income	(\$62,091)	(\$62,129)	(\$62,167)	(\$62,203)	(\$62,239)	(\$62,274)	(\$62,309)	(\$62,342)	(\$62,375)	(\$62,407)	(\$62,438)	(\$62,466)	(\$747,440)
Revenue Requirement	\$270,732	\$270,110	\$269,503	\$268,906	\$268,322	\$267,750	\$267,191	\$266,643	\$266,109	\$265,585	\$265,074	\$264,571	\$3,210,496

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 DIT activity 2023: \$341,676
ND Fac. #15: 71.009009%
ND projected activity: \$242,621
Monthly: \$20,218

	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%
	\$18,556	\$17,005	\$15,289	\$13,627	\$11,908	\$10,246	\$8,530	\$6,813	\$5,152	\$3,435	\$1,773	\$55

2/ Projected Capital Structure with Authorized Return on Equity

	Ratio	Cost	
Long Term Debt	44.587%	4.503%	2.008%
Short Term Debt	4.603%	3.684%	0.170%
Common Equity	50.810%	9.650%	4.903%
	100.000%		7.081%
			2.178%

3/ Income Tax Rate: 2022
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
 Generation Resource Recovery Rider
 Revenue Requirement - Power Purchase Agreement Incentive
 Projected Year End 2023**

	Projected 2023												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Power Purchase Agreement													
Capacity													
Energy													
Total PPA													
Allocated to North Dakota 1/	\$940,322	\$857,054	\$940,322	\$912,566	\$940,322	\$913,135	\$942,153	\$942,153	\$913,135	\$942,153	\$913,135	\$942,153	
Incentive Rate 2/ 3/	\$619	\$2,900	\$3,181	\$3,088	\$3,181	\$3,089	\$3,188	\$3,188	\$3,089	\$3,188	\$3,089	\$3,188	\$34,988

1/ Factor 15-Integrated System 12 Month Peak Demand 71.009009% Capacity
 Factor 16-Integrated System Kwh Sales 70.090975% Energy

2/ Authorized Financial Incentive Rate: 0.790%

3/ Projected Financial Incentive Rate starting February 2023 : 4.060%

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Cost Adjustment
Balancing Account and Carry Charge Calculation

Exhibit 5
Page 1 of 5

	Cumulative								Grand Total (Over)/Under Collection
	Beginning Balance	Revenue Requirement 1/	Revenue Collections	Ending Balance 2/	Carrying Charge Calculation			Carrying Charge 3/	
				Deferred Income Tax	Net Balance	Rate 3/			
September 2021									4/
October	(\$8,095)	288,220	252,844	27,281	6,658	20,623	0.0500%	\$0	27,281
November	27,281	287,965	252,444	62,802	15,327	47,475	0.0500%	1	62,803
December	62,802	288,344	294,189	56,957	13,900	43,057	0.0600%	2	56,960
January 2022	56,957	278,237	345,780	(10,586)	-	(10,586)	0.1500%	5	(10,578)
February	(10,586)	277,683	310,794	(43,697)	-	(43,697)	0.3300%	(3)	(43,692)
March	(43,697)	277,109	325,464	(92,052)	-	(92,052)	0.4400%	(16)	(92,063)
April	(92,052)	276,492	269,676	(85,236)	-	(85,236)	0.7600%	(58)	(85,305)
May	(85,236)	276,076	257,068	(66,228)	-	(66,228)	0.9800%	(70)	(66,367)
June	(66,228)	275,940	250,673	(40,961)	-	(40,961)	1.4900%	(82)	(41,182)
July	(40,961)	275,405	274,520	(40,076)	-	(40,076)	2.2300%	(76)	(40,373)
August	(40,076)	275,235	313,046	(77,887)	-	(77,887)	2.6300%	(88)	(78,272)
September	(77,887)	274,803	288,330	(91,414)	-	(91,414)	3.1300%	(203)	(92,002)
October - Est.	(91,414)	274,289	246,990	(64,115)	-	(64,115)	3.1300%	(238)	(64,941)
November - Est.	(64,115)	273,755	253,661	(44,021)	-	(44,021)	3.1300%	(167)	(45,014)
December - Est.	(44,021)	273,276	290,429	(61,174)	-	(61,174)	3.1300%	(115)	(62,282)
January 2023 -Est.	(61,174)	271,351	320,710	(110,533)	-	(110,533)	3.1300%	(160)	(111,801)
Total		4,444,180	\$4,546,618					(\$1,268)	

1/ Monthly revenue requirement.

	L&C RICE Revenue Requirement 5/	PPA Incentive Revenue Requirement 6/	Total Revenue Requirement
October 2021	287,474	746	288,220
November	287,721	244	287,965
December	288,093	251	288,344
January 2022	277,986	251	278,237
February	277,453	230	277,683
March	276,858	251	277,109
April	276,248	244	276,492
May	275,825	251	276,076
June	275,339	601	275,940
July	274,786	619	275,405
August	274,616	619	275,235
September	274,202	601	274,803
October - Est.	273,670	619	274,289
November - Est.	273,154	601	273,755
December - Est.	272,657	619	273,276
January 2023 -Est.	270,732	619	271,351
Total	\$4,436,814	\$7,366	\$4,444,180

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

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

4/ Ending (Over)/Under balance per Case No. PU-21-421, Exhibit 4, page 1.

5/ See pages 2-3.

6/ See pages 4-5.

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

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Lewis & Clark RICE
Actual Year End 2021**

	Actual From Prior Filing									Actual			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													
Structures	\$4,858,042	\$4,858,042	\$4,858,042	\$4,858,042	\$4,858,042	\$4,858,042	\$4,858,042	\$4,887,811	\$5,940,067	\$6,139,037	\$6,187,587	\$6,294,725	
Fuel Holders, Products & Acc.	2,121,054	2,121,054	2,121,054	2,121,054	2,121,054	2,121,054	2,121,054	2,121,054	2,121,054	2,121,054	2,121,054	2,121,053	
Generators	18,386,907	18,386,907	18,386,907	18,386,907	18,386,907	18,386,907	18,386,907	18,386,907	18,386,907	18,386,907	18,386,907	18,386,906	
Accessory Equipment	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	4,051,293	
Miscellaneous Equipment	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	1,683,397	
Station Equipment	701,523	701,523	701,523	701,523	701,523	701,523	701,523	701,523	701,523	701,523	701,523	701,523	
Total Plant Balance	\$31,802,216	\$31,802,216	\$31,802,216	\$31,802,216	\$31,802,216	\$31,802,216	\$31,802,216	\$31,831,985	\$32,884,241	\$33,083,211	\$33,131,761	\$33,238,897	\$32,232,134
Accumulated Reserve													
Structures	\$633,513	\$643,634	\$653,755	\$663,875	\$673,996	\$684,117	\$694,239	704,360	714,542	726,918	739,707	752,599	
Fuel Holders, Products & Acc.	276,173	280,592	285,011	289,430	293,848	298,267	302,686	307,105	311,524	315,943	320,362	324,780	
Generators	2,297,178	2,335,484	2,373,790	2,412,096	2,450,402	2,488,708	2,527,014	2,565,320	2,603,626	2,641,932	2,680,238	2,718,544	
Accessory Equipment	528,309	536,749	545,189	553,629	562,070	570,510	578,950	587,390	595,830	604,270	612,711	621,151	
Miscellaneous Equipment	219,483	222,990	226,497	230,005	233,512	237,019	240,526	244,033	247,540	251,047	254,554	258,061	
Station Equipment	90,944	91,868	92,792	93,715	94,639	95,563	96,486	97,410	98,334	99,257	100,181	101,105	
Total Accumulated Reserve	\$4,045,600	\$4,111,317	\$4,177,034	\$4,242,750	\$4,308,467	\$4,374,184	\$4,439,901	\$4,505,618	\$4,571,396	\$4,639,367	\$4,707,753	\$4,776,240	\$4,408,302
Net Plant in Service	\$27,756,616	\$27,690,899	\$27,625,182	\$27,559,466	\$27,493,749	\$27,428,032	\$27,362,315	\$27,326,367	\$28,312,845	\$28,443,844	\$28,424,008	\$28,462,657	\$27,823,832
Accum Def Income Taxes 1/	\$2,843,716	\$2,861,443	\$2,877,381	\$2,891,586	\$2,904,000	\$2,914,681	\$2,923,573	\$2,930,676	\$2,936,046	\$2,943,247	\$2,946,964	\$2,947,078	
Total Rate Base	\$24,912,900	\$24,829,456	\$24,747,801	\$24,667,880	\$24,589,749	\$24,513,351	\$24,438,742	\$24,395,691	\$25,376,799	\$25,500,597	\$25,477,044	\$25,515,579	\$24,913,799
Return on Rate Base 2/	\$144,059	\$143,576	\$143,104	\$142,642	\$142,190	\$141,748	\$141,317	\$141,068	\$146,741	\$147,457	\$147,321	\$147,544	\$1,728,767
Expenses													
Operating Expenses													Total
Structures	\$10,121	\$10,121	\$10,121	\$10,121	\$10,121	\$10,121	\$10,121	\$10,121	\$10,183	\$12,376	\$12,790	\$12,891	
Fuel Holders, Products & Acc.	4,419	4,419	4,419	4,419	4,419	4,419	4,419	4,419	4,419	4,419	4,419	4,419	
Generators	38,306	38,306	38,306	38,306	38,306	38,306	38,306	38,306	38,306	38,306	38,306	38,306	
Accessory Equipment	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	8,440	
Miscellaneous Equipment	3,507	3,507	3,507	3,507	3,507	3,507	3,507	3,507	3,507	3,507	3,507	3,507	
Station Equipment	824	824	824	824	824	824	824	824	824	1,223	1,223	1,222	
Depreciation	65,617	65,617	65,617	65,617	65,617	65,617	65,617	65,617	65,679	68,271	68,685	68,785	796,356
Property Tax 3/	38,447	38,447	38,447	38,447	38,447	38,447	38,447	38,447	38,447	39,182	39,182	39,182	463,569
Total Expenses	\$104,064	\$104,064	\$104,064	\$104,064	\$104,064	\$104,064	\$104,064	\$104,064	\$104,126	\$107,453	\$107,867	\$107,967	\$1,259,925
Income before Taxes (EBIT)	(\$104,064)	(\$104,064)	(\$104,064)	(\$104,064)	(\$104,064)	(\$104,064)	(\$104,064)	(\$104,064)	(\$104,126)	(\$107,453)	(\$107,867)	(\$107,967)	(\$1,259,925)
Interest Expense 2/	44,241	44,093	43,948	43,806	43,667	43,532	43,399	43,323	45,065	45,285	45,243	45,311	530,913
AFUDC Equity Add Back	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	1,148	(526)	(526)	(526)	8,754
Taxable income	(\$147,157)	(\$147,009)	(\$146,864)	(\$146,722)	(\$146,583)	(\$146,448)	(\$146,315)	(\$146,239)	(\$148,043)	(\$153,264)	(\$153,636)	(\$153,804)	(\$1,782,084)
Income Taxes 4/	(\$35,914)	(\$35,877)	(\$35,842)	(\$35,807)	(\$35,773)	(\$35,740)	(\$35,708)	(\$35,689)	(\$36,130)	(\$37,404)	(\$37,495)	(\$37,536)	(\$434,915)
Less: ARAM Amortization	589	589	589	589	589	589	589	589	589	190	190	191	5,872
Net Income Taxes	(\$36,503)	(\$36,466)	(\$36,431)	(\$36,396)	(\$36,362)	(\$36,329)	(\$36,297)	(\$36,278)	(\$36,719)	(\$37,594)	(\$37,685)	(\$37,727)	(\$440,787)
Operating Income	(\$67,561)	(\$67,598)	(\$67,633)	(\$67,668)	(\$67,702)	(\$67,735)	(\$67,767)	(\$67,786)	(\$67,407)	(\$69,859)	(\$70,182)	(\$70,240)	(\$819,138)
Revenue Requirement	\$279,939	\$279,349	\$278,771	\$278,206	\$277,653	\$277,112	\$276,584	\$276,280	\$283,283	\$287,474	\$287,721	\$288,093	\$3,370,465

Factor 15-Integrated Sys. 12
Month Peak Demand

2021
71.062334%

1/ Monthly Deferred Income Tax activity, October- December updated to reflect year end DIT activity, prorated based on DIT proration methodology.

3/ Property tax: October - December updated to reflect property tax total as of year end.

ADIT Change for 2021:	\$445,855	October	November	December
Allocated to ND (Fac. #15):	316,835	16.99%	8.77%	0.27%
January- September (\$21,076 monthly):	189,684	\$7,201	\$3,717	\$114
Remainder for 2021:	127,151			
Monthly for October- December:	\$42,384			

2021 Actual Property Tax:	\$463,569
January - September 2021:	346,023
Remaining 2021:	\$117,546
Monthly for October - December:	\$39,182

4/ Income Tax Rate:

2021	
Tax Rate	24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
1- tax rate	75.5951%

2/ Capital structure with authorized return on equity from most recent case.

	Ratio	Cost	
Long Term Debt	43.871%	4.647%	2.039%
Short Term Debt	6.310%	1.463%	0.092%
Common Equity	49.819%	9.650%	4.808%
	100.000%		6.939%

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Lewis & Clark RICE
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													
Structures	\$6,285,635	\$6,304,628	\$6,306,143	\$5,948,764	\$5,948,763	\$5,940,503	\$5,942,409	\$5,996,115	\$5,996,115	\$5,996,115	\$5,996,115	\$5,996,115	
Fuel Holders, Products & Acc.	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	2,119,462	
Generators	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	18,373,109	
Accessory Equipment	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	4,048,253	
Miscellaneous Equipment	1,682,134	1,682,134	1,682,134	2,041,775	2,131,305	2,132,356	2,133,189	2,133,188	2,136,426	2,136,426	2,136,426	2,136,426	
Station Equipment	700,996	700,996	700,996	700,996	700,996	700,996	700,996	700,996	700,996	700,996	700,996	700,996	
Total Plant Balance	\$33,209,589	\$33,228,582	\$33,230,097	\$33,232,359	\$33,321,888	\$33,314,679	\$33,317,418	\$33,371,123	\$33,374,361	\$33,374,361	\$33,374,361	\$33,374,361	\$33,310,265
Accumulated Reserve													
Structures	\$765,137	\$778,232	\$791,368	\$804,506	\$816,899	\$829,269	\$841,645	\$854,025	\$866,517	879,009	891,501	903,993	
Fuel Holders, Products & Acc.	328,952	333,368	337,783	342,199	346,614	351,030	355,446	359,861	364,277	368,693	373,109	377,525	
Generators	2,754,782	2,793,059	2,831,336	2,869,613	2,907,891	2,946,168	2,984,445	3,022,723	3,061,000	3,099,277	3,137,554	3,175,831	
Accessory Equipment	629,119	637,553	645,986	654,420	662,854	671,288	679,722	688,156	696,590	705,024	713,458	721,892	
Miscellaneous Equipment	261,372	264,876	268,381	271,885	340,047	344,488	348,930	353,374	357,818	362,262	366,706	371,150	
Station Equipment	101,952	102,875	103,798	104,721	105,644	106,567	107,490	108,413	109,336	110,259	111,182	112,105	
Total Accumulated Reserve	\$4,841,314	\$4,909,963	\$4,978,652	\$5,047,344	\$5,179,949	\$5,248,810	\$5,317,678	\$5,386,552	\$5,455,538	\$5,524,524	\$5,593,510	\$5,662,496	\$5,262,194
Net Plant in Service	\$28,368,275	\$28,318,619	\$28,251,445	\$28,185,015	\$28,141,939	\$28,065,869	\$27,999,740	\$27,984,571	\$27,918,823	\$27,849,837	\$27,780,851	\$27,711,865	\$28,048,071
Accum Def Income Taxes 1/	\$3,159,805	\$3,182,857	\$3,203,582	\$3,222,054	\$3,238,197	\$3,252,087	\$3,263,650	\$3,272,886	\$3,279,869	\$3,284,525	\$3,286,929	\$3,287,003	
Total Rate Base	\$25,208,470	\$25,135,762	\$25,047,863	\$24,962,961	\$24,903,742	\$24,813,782	\$24,736,090	\$24,711,685	\$24,638,954	\$24,565,312	\$24,493,922	\$24,424,862	\$24,803,617
Return on Rate Base 2/	\$148,793	\$148,364	\$147,845	\$147,344	\$146,994	\$146,463	\$146,005	\$145,861	\$145,431	\$144,997	\$144,575	\$144,168	\$1,756,840
Expenses													
Operating Expenses													Total
Structures	\$13,104	\$13,095	\$13,135	\$13,138	\$12,393	\$12,371	\$12,376	\$12,380	\$12,492	\$12,492	\$12,492	\$12,492	
Fuel Holders, Products & Acc.	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	
Generators	38,277	38,277	38,277	38,277	38,277	38,277	38,277	38,277	38,277	38,277	38,277	38,277	
Accessory Equipment	8,434	8,434	8,434	8,434	8,434	8,434	8,434	8,434	8,434	8,434	8,434	8,434	
Miscellaneous Equipment	3,504	3,504	3,504	3,504	4,254	4,440	4,442	4,444	4,444	4,444	4,444	4,444	
Station Equipment	923	923	923	923	923	923	923	923	923	923	923	923	
Depreciation	68,658	68,649	68,689	68,692	68,697	68,861	68,868	68,874	68,986	68,986	68,986	68,986	825,932
Property Tax 3/	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,711	27,713	332,534
Total Expenses	\$96,369	\$96,360	\$96,400	\$96,403	\$96,408	\$96,572	\$96,579	\$96,585	\$96,697	\$96,697	\$96,697	\$96,699	\$1,158,466
Income before Taxes (EBIT)	(\$96,369)	(\$96,360)	(\$96,400)	(\$96,403)	(\$96,408)	(\$96,572)	(\$96,579)	(\$96,585)	(\$96,697)	(\$96,697)	(\$96,697)	(\$96,699)	(\$1,158,466)
Interest Expense 2/	45,837	45,705	45,545	45,391	45,283	45,120	44,978	44,934	44,802	44,668	44,538	44,413	541,214
AFUDC Equity Add Back	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,097	13,197
Taxable income	(\$141,106)	(\$140,965)	(\$140,845)	(\$140,694)	(\$140,591)	(\$140,592)	(\$140,457)	(\$140,419)	(\$140,399)	(\$140,265)	(\$140,135)	(\$140,015)	(\$1,686,483)
Income Taxes 4/	(\$34,437)	(\$34,402)	(\$34,373)	(\$34,336)	(\$34,311)	(\$34,311)	(\$34,278)	(\$34,269)	(\$34,264)	(\$34,232)	(\$34,200)	(\$34,171)	(\$411,584)
Less: ARAM Amortization	581	581	581	581	581	581	581	581	581	581	581	581	6,972
Net Income Taxes	(\$35,018)	(\$34,983)	(\$34,954)	(\$34,917)	(\$34,892)	(\$34,892)	(\$34,859)	(\$34,850)	(\$34,845)	(\$34,813)	(\$34,781)	(\$34,752)	(\$418,556)
Operating Income	(\$61,351)	(\$61,377)	(\$61,446)	(\$61,486)	(\$61,516)	(\$61,680)	(\$61,720)	(\$61,735)	(\$61,852)	(\$61,884)	(\$61,916)	(\$61,947)	(\$739,910)
Revenue Requirement	\$277,986	\$277,453	\$276,858	\$276,248	\$275,825	\$275,339	\$274,786	\$274,616	\$274,202	\$273,670	\$273,154	\$272,657	\$3,302,794

Factor 15-Integrated Sys. 12
Month Peak Demand 2022
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 DIT activity 2022:	\$463,153
ND Fac. #15:	71.009009%
ND projected activity:	\$328,880
Monthly:	\$27,407

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%
\$25,154	\$23,052	\$20,725	\$18,472	\$16,143	\$13,890	\$11,563	\$9,236	\$6,983	\$4,656	\$2,404	\$74

2/ Projected Capital Structure with Authorized Return on Equity

	Ratio	Cost	
Long Term Debt	46.688%	4.506%	2.104%
Short Term Debt	2.525%	3.079%	0.078%
Common Equity	50.787%	9.650%	4.901%
	100.000%		7.083%

3/ Property tax:

Estimated 2022 Property Tax:	\$468,298
ND Fac. #15:	71.009009%
ND Property Tax:	\$332,534
Monthly:	\$27,711

4/ Income Tax Rate:

	2022
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
Generation Resource Recovery Rider
Revenue Requirement - Power Purchase Agreement Incentive
Actual Year End 2021

	Actual 2021												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Power Purchase Agreement													
Capacity													
Energy													
Total PPA	\$0	\$0	\$0	\$0	\$0								
Allocated to North Dakota 1/								\$380,961	\$370,391	\$380,961	\$370,391	\$380,961	
Incentive Rate 2/								\$251	\$244	\$251	\$244	\$251	\$1,241

1/ Factor 15-Integrated System 12 Month Peak Demand 71.062334% Capacity
 Factor 16-Integrated System Kwh Sales 69.906200% Energy

2/ Authorized Financial Incentive Rate: 0.790%

**Montana-Dakota Utilities Co.
 Electric Utility - North Dakota
 Generation Resource Recovery Rider
 Revenue Requirement - Power Purchase Agreement Incentive
 Actual/Projected Year End 2022**

	Actual 2022							Projected 2022					
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Power Purchase Agreement													
Capacity													
Energy													
Total PPA													
Allocated to North Dakota 1/	\$381,787	\$349,994	\$381,787	\$371,189	\$381,787	\$912,566	\$940,322	\$940,322	\$912,566	\$940,322	\$912,566	\$940,322	
Incentive Rate 2/	\$251	\$230	\$251	\$244	\$251	\$601	\$619	\$619	\$601	\$619	\$601	\$619	\$5,506

1/ Factor 15-Integrated System 12 Month Peak Demand 71.009009% Capacity
 Factor 16-Integrated System Kwh Sales 70.090975% Energy

2/ Authorized Financial Incentive Rate: 0.790%

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Regulatory Assets Recovery
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													
Net Reg Asset - L&C	19,210,983	19,067,018	18,922,419	18,777,195	18,631,357	18,484,722	18,337,287	18,189,047	18,039,999	17,890,137	17,739,458	17,587,956	
Net Reg Asset - Heskett	16,317,404	16,234,879	16,512,963	16,690,163	17,128,969	17,125,418	17,030,772	16,902,304	16,772,119	16,640,693	16,507,839	16,374,259	
Total Rate Base	\$35,528,387	\$35,301,897	\$35,435,382	\$35,467,358	\$35,760,326	\$35,610,140	\$35,368,059	\$35,091,351	\$34,812,118	\$34,530,830	\$34,247,297	\$33,962,215	\$35,092,947
Return on Rate Base 1/	\$209,648	\$208,310	\$209,099	\$209,287	\$211,016	\$210,128	\$208,701	\$207,069	\$205,420	\$203,761	\$202,089	\$200,406	\$2,484,934
Revenues in Base Rates	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$711,070	\$8,532,840
Expenses													Total
Amortization - L&C	233,829	234,870	235,913	236,962	238,014	239,074	240,138	241,207	242,284	243,366	244,453	245,547	2,875,657
Amortization - Heskett	220,729	221,325	219,317	218,038	214,870	214,896	215,578	216,506	217,447	218,395	219,354	220,318	2,616,773
Total Expenses	\$454,558	\$456,195	\$455,230	\$455,000	\$452,884	\$453,970	\$455,716	\$457,713	\$459,731	\$461,761	\$463,807	\$465,865	5,492,430
Income before Taxes (EBIT)	\$256,512	\$254,875	\$255,840	\$256,070	\$258,186	\$257,100	\$255,354	\$253,357	\$251,339	\$249,309	\$247,263	\$245,205	\$3,040,410
Interest Expense 1/	64,484	64,073	64,315	64,373	64,905	64,632	64,193	63,691	63,184	62,673	62,159	61,641	764,323
Taxable income	\$192,028	\$190,802	\$191,525	\$191,697	\$193,281	\$192,468	\$191,161	\$189,666	\$188,155	\$186,636	\$185,104	\$183,564	\$2,276,087
Income Taxes 2/	\$46,864	\$46,565	\$46,741	\$46,783	\$47,170	\$46,972	\$46,653	\$46,288	\$45,919	\$45,548	\$45,174	\$44,799	\$555,476
Net Income Taxes	\$46,864	\$46,565	\$46,741	\$46,783	\$47,170	\$46,972	\$46,653	\$46,288	\$45,919	\$45,548	\$45,174	\$44,799	\$555,476
Operating Income	\$209,648	\$208,310	\$209,099	\$209,287	\$211,016	\$210,128	\$208,701	\$207,069	\$205,420	\$203,761	\$202,089	\$200,406	\$2,484,934
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

1/ Projected Capital Structure with Authorized Return on Equity

	Ratio	Cost	
Long Term Debt	44.587%	4.503%	2.008%
Short Term Debt	4.603%	3.684%	0.170%
Common Equity	50.810%	9.650%	4.903%
	100.000%		7.081%

2.178%

2/ Income Tax Rate:

	2022
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
Generation Resource Recovery Rider
Revenue Requirement - Lewis & Clark Unit I Regulatory Assets Recovery
Actual Year End 2021

	Actual											
	Jan 2021	Feb 2021	Mar 2021	Apr 2021 3/	May 2021	June 2021	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021
Rate Base												
Deferred Depreciation Asset				\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587
Decommissioning				1,451,236	1,614,237	1,748,863	1,753,315	1,940,820	2,177,526	2,646,119	3,374,489	3,617,399
Excess ADIT Amortization				(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)
Accumulated Amortization				0	(528,027)	(1,053,054)	(1,576,729)	(2,100,469)	(2,623,589)	(3,145,874)	(3,668,323)	(4,189,417)
Net Rate Base	\$0	\$0	\$0	\$27,581,379	\$27,216,353	\$26,825,952	\$26,306,729	\$25,970,494	\$25,684,080	\$25,630,388	\$25,836,309	\$25,558,125
Accumulated ADIT	0	0	0	6,731,208	6,642,124	6,546,847	6,420,131	6,338,073	6,268,174	6,255,071	6,305,325	6,237,435
Total Regulatory Asset	\$0	\$0	\$0	\$20,850,171	\$20,574,229	\$20,279,105	\$19,886,598	\$19,632,421	\$19,415,906	\$19,375,317	\$19,530,984	\$19,320,690
Return on Rate Base 1/	\$0	\$0	\$0	\$120,566	\$118,970	\$117,264	\$114,994	\$113,524	\$112,272	\$112,038	\$112,938	\$111,722
L&C Revenue				\$695,078	\$695,078	\$695,078	\$695,078	\$695,078	\$695,078	\$695,078	\$695,078	\$695,078
Expenses												
Amortization - Deferred Asset				\$528,027	\$525,027	\$523,675	\$523,740	\$523,120	\$522,285	\$522,449	\$521,094	\$522,538
Amortization - Employee Related				17,568	22,521	25,961	28,674	31,093	33,459	33,582	33,836	33,880
Amortization - Other				1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947
Total Expenses	\$0	\$0	\$0	\$547,542	\$549,495	\$551,583	\$554,361	\$556,160	\$557,691	\$557,978	\$556,877	\$558,365
Income before Taxes (EBIT)	\$0	\$0	\$0	\$147,536	\$145,583	\$143,495	\$140,717	\$138,918	\$137,387	\$137,100	\$138,201	\$136,713
Interest Expense	0	0	0	37,026	36,536	36,012	35,315	34,864	34,479	34,407	34,684	34,310
Taxable income	\$0	\$0	\$0	\$110,510	\$109,047	\$107,483	\$105,402	\$104,054	\$102,908	\$102,693	\$103,517	\$102,403
Income Taxes 2/	\$0	\$0	\$0	\$26,970	\$26,613	\$26,231	\$25,723	\$25,394	\$25,115	\$25,062	\$25,263	\$24,991
Net Income Taxes	\$0	\$0	\$0	\$26,970	\$26,613	\$26,231	\$25,723	\$25,394	\$25,115	\$25,062	\$25,263	\$24,991
Operating Income	\$0	\$0	\$0	\$120,566	\$118,970	\$117,264	\$114,994	\$113,524	\$112,272	\$112,038	\$112,938	\$111,722
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity: (from Nov. 1, 2021 filing)

	2021		
	Ratio	Cost	
Long Term Debt	43.871%	4.647%	2.039%
Short Term Debt	6.310%	1.463%	0.092%
Common Equity	49.819%	9.650%	4.808%
	100.000%		6.939%

2/ Income Tax Rate:

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

3/ Lewis & Clark Unit 1 ceased operations on March 31, 2021.

Current Revenue In rates input: \$8,340,938

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Lewis & Clark Unit I Regulatory Assets Recovery
Actual/Projected Year End 2022

	Actual									Projected		
	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												
Deferred Depreciation Asset	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587
Decommissioning	3,669,631	3,870,434	4,122,356	4,211,649	4,403,807	5,161,744	6,175,473	6,215,585	6,184,627	6,276,940	8,343,304	8,343,304
Excess ADIT Amortization	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)
Accumulated Amortization	(4,711,955)	(5,234,258)	(5,758,317)	(6,283,861)	(6,811,785)	(7,341,543)	(7,870,056)	(8,073,373)	(8,277,581)	(8,483,072)	(8,682,152)	(8,870,873)
Net Rate Base	\$25,087,819	\$24,766,319	\$24,494,182	\$24,057,931	\$23,722,165	\$23,950,344	\$24,435,560	\$24,272,355	\$24,037,189	\$23,924,011	\$25,791,295	\$25,602,574
Accumulated ADIT	6,122,657	6,044,195	5,977,781	5,871,314	5,789,371	5,845,058	5,963,474	5,923,644	5,866,252	5,838,631	6,294,340	6,248,283
Total Regulatory Asset	\$18,965,162	\$18,722,124	\$18,516,401	\$18,186,617	\$17,932,794	\$18,105,286	\$18,472,086	\$18,348,711	\$18,170,937	\$18,085,380	\$19,496,955	\$19,354,291
Return on Rate Base 1/	\$111,942	\$110,507	\$109,293	\$107,347	\$105,848	\$106,866	\$109,031	\$108,303	\$107,254	\$106,749	\$115,081	\$114,239
L&C Revenue	\$695,078	\$695,078	\$695,078	\$695,078	\$695,078	\$695,078	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531
Expenses												
Amortization - Deferred Asset	\$522,303	\$524,059	\$525,544	\$527,924	\$529,758	\$528,513	\$203,317	\$204,208	\$205,491	\$199,080	\$188,721	\$189,574
Amortization - Employee Related	33,880	33,880	33,880	33,880	33,880	33,880	33,880	33,880	33,880	40,909	41,075	41,252
Amortization - Other	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947
Total Expenses	\$558,130	\$559,886	\$561,371	\$563,751	\$565,585	\$564,340	\$239,144	\$240,035	\$241,318	\$241,936	\$231,743	\$232,773
Income before Taxes (EBIT)	\$136,948	\$135,192	\$133,707	\$131,327	\$129,493	\$130,738	\$133,387	\$132,496	\$131,213	\$130,595	\$140,788	\$139,758
Interest Expense	34,485	34,043	33,669	33,069	32,608	32,921	33,588	33,364	33,041	32,885	35,452	35,193
Taxable income	\$102,463	\$101,149	\$100,038	\$98,258	\$96,885	\$97,817	\$99,799	\$99,132	\$98,172	\$97,710	\$105,336	\$104,565
Income Taxes 2/	\$25,006	\$24,685	\$24,414	\$23,980	\$23,645	\$23,872	\$24,356	\$24,193	\$23,959	\$23,846	\$25,707	\$25,519
Net Income Taxes	\$25,006	\$24,685	\$24,414	\$23,980	\$23,645	\$23,872	\$24,356	\$24,193	\$23,959	\$23,846	\$25,707	\$25,519
Operating Income	\$111,942	\$110,507	\$109,293	\$107,347	\$105,848	\$106,866	\$109,031	\$108,303	\$107,254	\$106,749	\$115,081	\$114,239
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity: (from rate case, 2022 projected capital structure)

2022			
	Ratio	Cost	
Long Term Debt	46.688%	4.506%	2.104%
Short Term Debt	2.525%	3.079%	0.078%
Common Equity	50.787%	9.650%	4.901%
	100.000%		7.083%

2/ Income Tax Rate:

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

Current Revenue In rates input:	\$8,340,938
Revenue in rates starting July 2022	\$4,470,372

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Lewis & Clark Unit I Regulatory Assets Recovery
Projected Year End 2023

	Projected											
	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												
Deferred Depreciation Asset	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587
Decommissioning	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304	8,343,304
Excess ADIT Amortization	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)
Accumulated Amortization	(9,060,447)	(9,250,889)	(9,442,170)	(9,634,277)	(9,827,198)	(10,021,171)	(10,216,204)	(10,412,301)	(10,609,467)	(10,807,710)	(11,007,035)	(11,207,447)
Net Rate Base	\$25,413,000	\$25,222,558	\$25,031,277	\$24,839,170	\$24,646,249	\$24,452,276	\$24,257,243	\$24,061,146	\$23,863,980	\$23,665,737	\$23,466,412	\$23,266,000
Accumulated ADIT	6,202,017	6,155,540	6,108,858	6,061,975	6,014,892	5,967,554	5,919,956	5,872,099	5,823,981	5,775,600	5,726,954	5,678,044
Total Regulatory Asset	\$19,210,983	\$19,067,018	\$18,922,419	\$18,777,195	\$18,631,357	\$18,484,722	\$18,337,287	\$18,189,047	\$18,039,999	\$17,890,137	\$17,739,458	\$17,587,956
Return on Rate Base 1/	\$113,361	\$112,511	\$111,658	\$110,801	\$109,941	\$109,075	\$108,205	\$107,331	\$106,451	\$105,567	\$104,678	\$103,784
L&C Revenue	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531	\$372,531
Expenses												
Amortization - Deferred Asset	\$190,442	\$191,281	\$192,107	\$192,921	\$193,973	\$195,033	\$196,097	\$197,166	\$198,243	\$199,325	\$200,412	\$201,506
Amortization - Employee Related	41,440	41,642	41,859	42,094	42,094	42,094	42,094	42,094	42,094	42,094	42,094	42,094
Amortization - Other	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947
Total Expenses	\$233,829	\$234,870	\$235,913	\$236,962	\$238,014	\$239,074	\$240,138	\$241,207	\$242,284	\$243,366	\$244,453	\$245,547
Income before Taxes (EBIT)	\$138,702	\$137,661	\$136,618	\$135,569	\$134,517	\$133,457	\$132,393	\$131,324	\$130,247	\$129,165	\$128,078	\$126,984
Interest Expense	34,868	34,607	34,344	34,081	33,816	33,550	33,282	33,013	32,743	32,471	32,197	31,922
Taxable income	\$103,834	\$103,054	\$102,274	\$101,488	\$100,701	\$99,907	\$99,111	\$98,311	\$97,504	\$96,694	\$95,881	\$95,062
Income Taxes 2/	\$25,341	\$25,150	\$24,960	\$24,768	\$24,576	\$24,382	\$24,188	\$23,993	\$23,796	\$23,598	\$23,400	\$23,200
Net Income Taxes	\$25,341	\$25,150	\$24,960	\$24,768	\$24,576	\$24,382	\$24,188	\$23,993	\$23,796	\$23,598	\$23,400	\$23,200
Operating Income	\$113,361	\$112,511	\$111,658	\$110,801	\$109,941	\$109,075	\$108,205	\$107,331	\$106,451	\$105,567	\$104,678	\$103,784
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity: (from rate case, 2023 projected capital structure)

2023			
	Ratio	Cost	
Long Term Debt	44.587%	4.503%	2.008%
Short Term Debt	4.603%	3.684%	0.170%
Common Equity	50.810%	9.650%	4.903%
	100.000%		7.081%

2/ Income Tax Rate:

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

Revenue In rates input: \$4,470,372

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Heskett Unit I & II Regulatory Assets Recovery
Actual/Projected Year End 2022

	Actual									Projected		
	Jan 2022	Feb 2022	Mar 2022 3/	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022
Rate Base												
Deferred Depreciation Asset			\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700
Decommissioning			852,589	1,128,527	1,261,723	1,490,702	1,655,162	2,054,016	2,293,168	2,826,075	3,156,659	3,574,955
Excess ADIT Amortization			(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)
Accumulated Amortization			0	(953,165)	(1,904,924)	(2,858,666)	(3,807,176)	(3,986,853)	(4,165,170)	(4,342,970)	(4,518,665)	(4,693,372)
Net Rate Base	\$0	\$0	\$23,226,311	\$22,549,084	\$21,730,521	\$21,005,758	\$20,221,708	\$20,440,885	\$20,501,720	\$20,856,827	\$21,011,716	\$21,255,305
Accumulated ADIT	0	0	5,668,358	5,503,081	5,303,312	5,126,434	4,935,088	4,988,578	5,003,424	5,090,088	5,127,888	5,187,336
Total Regulatory Asset	\$0	\$0	\$17,557,953	\$17,046,003	\$16,427,209	\$15,879,324	\$15,286,620	\$15,452,307	\$15,498,296	\$15,766,739	\$15,883,828	\$16,067,969
Return on Rate Base 1/	\$0	\$0	\$103,636	\$100,614	\$96,962	\$93,728	\$90,229	\$91,207	\$91,479	\$93,063	\$93,754	\$94,841
Heskett Revenue			\$1,107,690	\$1,107,690	\$1,107,690	\$1,107,690	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539
Expenses												
Amortization - Deferred Asset			\$953,165	\$951,759	\$953,742	\$948,510	\$179,677	\$178,317	\$177,800	\$175,695	\$174,707	\$173,228
Amortization - Employee Related			23,634	28,736	31,221	40,410	44,372	44,536	44,720	44,887	45,030	45,179
Amortization - Other			4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105
Total Expenses	\$0	\$0	\$980,904	\$984,600	\$989,068	\$993,025	\$228,154	\$226,958	\$226,625	\$224,687	\$223,842	\$222,512
Income before Taxes (EBIT)	\$0	\$0	\$126,786	\$123,090	\$118,622	\$114,665	\$110,385	\$111,581	\$111,914	\$113,852	\$114,697	\$116,027
Interest Expense	0	0	31,926	30,995	29,870	28,874	27,796	28,097	28,181	28,669	28,882	29,217
Taxable income	\$0	\$0	\$94,860	\$92,095	\$88,752	\$85,791	\$82,589	\$83,484	\$83,733	\$85,183	\$85,815	\$86,810
Income Taxes 2/	\$0	\$0	\$23,150	\$22,476	\$21,660	\$20,937	\$20,156	\$20,374	\$20,435	\$20,789	\$20,943	\$21,186
Net Income Taxes	\$0	\$0	\$23,150	\$22,476	\$21,660	\$20,937	\$20,156	\$20,374	\$20,435	\$20,789	\$20,943	\$21,186
Operating Income	\$0	\$0	\$103,636	\$100,614	\$96,962	\$93,728	\$90,229	\$91,207	\$91,479	\$93,063	\$93,754	\$94,841
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity: (from rate case, 2022 projected capital structure)

	Ratio	Cost	
Long Term Debt	46.688%	4.506%	2.104%
Short Term Debt	2.525%	3.079%	2.182%
Common Equity	50.787%	9.650%	4.901%
	100.000%		7.083%

2/ Income Tax Rate:

	2022
Tax Rate	24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
1- tax rate	75.5951%

3/ Heskett Unit 1 and Unit 2 ceased operations in February 2022.

Current Revenue In rates input:	\$13,292,276
Revenue in rates starting July 2022	\$4,062,468

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Generation Resource Recovery Rider
Revenue Requirement - Heskett Unit I & II Regulatory Assets Recovery
Projected Year End 2023

	Projected											
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	July 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023
Rate Base												
Deferred Depreciation Asset	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700
Decommissioning	4,078,145	4,140,267	4,670,754	5,065,715	5,805,395	5,956,671	5,987,398	5,973,990	5,959,160	5,943,629	5,927,156	5,910,683
Excess ADIT Amortization	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)
Accumulated Amortization	(4,866,600)	(5,037,890)	(5,200,516)	(5,361,071)	(5,520,282)	(5,676,256)	(5,832,184)	(5,988,718)	(6,146,101)	(6,304,425)	(6,463,697)	(6,623,928)
Net Rate Base	\$21,585,267	\$21,476,099	\$21,843,960	\$22,078,366	\$22,658,835	\$22,654,137	\$22,528,936	\$22,358,994	\$22,186,781	\$22,012,926	\$21,837,181	\$21,660,477
Accumulated ADIT	5,267,863	5,241,220	5,330,997	5,388,203	5,529,866	5,528,719	5,498,164	5,456,690	5,414,662	5,372,233	5,329,342	5,286,218
Total Regulatory Asset	\$16,317,404	\$16,234,879	\$16,512,963	\$16,690,163	\$17,128,969	\$17,125,418	\$17,030,772	\$16,902,304	\$16,772,119	\$16,640,693	\$16,507,839	\$16,374,259
Return on Rate Base 1/	\$96,286	\$95,799	\$97,440	\$98,486	\$101,075	\$101,054	\$100,496	\$99,738	\$98,969	\$98,194	\$97,410	\$96,622
Heskett Revenue	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539	\$338,539
Expenses												
Amortization - Deferred Asset	\$171,290	\$162,626	\$160,555	\$159,211	\$155,974	\$155,928	\$156,534	\$157,383	\$158,324	\$159,272	\$160,231	\$161,195
Amortization - Employee Related	45,334	54,594	54,657	54,722	54,791	54,863	54,939	55,018	55,018	55,018	55,018	55,018
Amortization - Other	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105
Total Expenses	\$220,729	\$221,325	\$219,317	\$218,038	\$214,870	\$214,896	\$215,578	\$216,506	\$217,447	\$218,395	\$219,354	\$220,318
Income before Taxes (EBIT)	\$117,810	\$117,214	\$119,222	\$120,501	\$123,669	\$123,643	\$122,961	\$122,033	\$121,092	\$120,144	\$119,185	\$118,221
Interest Expense	29,616	29,466	29,971	30,293	31,089	31,083	30,911	30,678	30,441	30,203	29,962	29,719
Taxable income	\$88,194	\$87,748	\$89,251	\$90,208	\$92,580	\$92,560	\$92,050	\$91,355	\$90,651	\$89,941	\$89,223	\$88,502
Income Taxes 2/	\$21,524	\$21,415	\$21,782	\$22,015	\$22,594	\$22,589	\$22,465	\$22,295	\$22,123	\$21,950	\$21,775	\$21,599
Net Income Taxes	\$21,524	\$21,415	\$21,782	\$22,015	\$22,594	\$22,589	\$22,465	\$22,295	\$22,123	\$21,950	\$21,775	\$21,599
Operating Income	\$96,286	\$95,799	\$97,440	\$98,486	\$101,075	\$101,054	\$100,496	\$99,738	\$98,969	\$98,194	\$97,410	\$96,622
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity: (from rate case, 2023 projected capital structure)

	Ratio	Cost	
Long Term Debt	44.587%	4.503%	2.008%
Short Term Debt	4.603%	3.684%	2.178%
Common Equity	50.810%	9.650%	4.903%
	100.000%		7.081%

2/ Income Tax Rate:

	2022
Tax Rate	24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
1- tax rate	75.5951%

Revenue In rates input: \$4,062,468

Notice of Annual Update to the Generation Resource Recovery Rider with the North Dakota Public Service Commission

On November 1, 2022, Montana-Dakota Utilities Co. (Montana-Dakota) filed its application with the North Dakota Public Service Commission (Commission) to update its Generation Resource Recovery Rider (GRRR) rates in accordance with the Company's Generation Resource Recovery Rider Adjustment Rate 56 tariff that states the rates will be revised annually to reflect the most recent projected costs to be recovered.

The proposed GRRR rates include North Dakota's allocation of the Company's investment in its Reciprocating Internal Combustion Engines (RICE) units at its Lewis & Clark Generation Station that are not being recovered through the Company's electric rates.

Montana-Dakota has requested the proposed GRRR rates be effective with service rendered on and after February 1, 2023, subject to Commission review and approval. This change is 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 typical residential customer using 894 Kwh will see a decrease of \$0.13 per month or a decrease of \$1.56 annually. The GRRR is shown as a separate line item on your bill.

	Residential & Small General
Applicable Rate Schedules	10, 13, 16, 20, 25, & 40
Current Rate	\$0.00185 per Kwh
Proposed Rate	\$0.00171 per Kwh
Change	(\$0.00014) per Kwh
	Large General
Applicable Rate Schedules	30, 31, 38, 48 and contracts
Current Rate	\$0.54680 per Kw
Proposed Rate	\$0.49446 per Kw
Change	(\$0.05234) per Kw
	Space Heating
Applicable Rate Schedule	32
Current Rate	\$0.23976 per Kw
Proposed Rate	\$0.22240 per Kw
Change	(\$0.01736) per Kw
	Lighting
Applicable Rate Schedules	41 & 52
Current Rate	\$0.00091 per Kwh
Proposed Rate	\$0.00084 per Kwh
Change	(\$0.00007) per Kwh

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