



UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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

May 1, 2023

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

Re: Annual Reports

Montana-Dakota Utilities Co. (Montana-Dakota) herewith electronically submit its Electric and Gas Annual Reports for the year ended December 31, 2022 consisting of:

North Dakota Electric and Gas Annual Reports  
North Dakota Electric and Gas Cost of Service Studies  
Report of Independent Public Accountants

The gas report includes information for Montana-Dakota and its division, Great Plains Natural Gas Co.

As requested, Montana-Dakota has also electronically submitted a copy of the 2022 FERC Form No. 1.

The electric report includes information pursuant to the amended North Dakota Administrative Code 69-09-02-06, which was effective January 1, 2022. This amendment requires reliability statistics to be included in the Annual Report.

Montana-Dakota respectfully requests that this electronic filing be accepted as being in full compliance with the filing requirements of this Commission. Physical copies will be provided if specifically requested by the Commission.

Sincerely,

*/s/ Travis R. Jacobson*

Travis R. Jacobson  
Director of Regulatory Affairs

# ANNUAL REPORT

## STATE OF NORTH DAKOTA

### GAS OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2022



#### INDEX

- 
- I. Intrastate Return on Equity
  - II. Capital Structure
  - III. Affiliated Transactions
  - IV. Miscellaneous Statistics

**MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
ANNUAL REPORT  
TO THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

Line #	Description	(A)	(B)	(C)	(D)	(E)
		2022 Total Company	2022 North Dakota	ND % (B / A)	2021 North Dakota	Variance (B-D / D)
<u>Operating Revenues:</u>						
1	Residential	\$244,410,883	94,922,039	38.84%	\$65,700,351	44.48%
2	Firm General	180,467,369	79,430,161	44.01%	51,414,056	54.49%
3	Small Interruptible	17,550,533	11,210,107	63.87%	5,825,403	92.43%
4	Large Interruptible	10,005,910	4,361,945	43.59%	3,366,563	29.57%
5	Transportation	8,213,359	3,146,166	38.31%	3,072,850	2.39%
6	Other Operating Revenues	5,856,366	3,483,935	59.49%	3,645,266	-4.43%
7	Unbilled Revenue	8,421,239	2,997,915	35.60%	11,129,998	-73.06%
8	Reserve for Refunds	0	0	0.00%	0	N/A
9	Total Operating Revenues	\$474,925,659	\$199,552,268	42.02%	\$144,154,487	38.43%
<u>Operating Expenses:</u>						
10	Cost of Purchased Gas	\$342,355,379	\$146,721,803	42.86%	\$91,891,514	59.67%
11	Production	634,540	276,489	43.57%	285,309	-3.09%
12	Transmission	39,953	9,682	24.23%	9,030	7.22%
13	Distribution Expense	28,726,367	11,286,876	39.29%	11,366,939	-0.70%
14	Customer Accounts Expense	7,619,486	2,704,970	35.50%	2,539,753	6.51%
15	Customer Service & Info. Exp.	1,508,285	313,199	20.77%	282,320	10.94%
16	Sales Expense	413,646	154,748	37.41%	151,462	2.17%
17	Administration & General Exp.	26,957,403	10,260,463	38.06%	9,714,661	5.62%
18	Depreciation Expense	28,575,476	12,166,926	42.58%	11,560,981	5.24%
19	Taxes Other than Income	14,196,934	2,749,658	19.37%	2,520,951	9.07%
20	Total Operating Expenses	\$451,027,469	\$186,644,814	41.38%	\$130,322,920	43.22%
21	Net Operating Income					
22	before Income Taxes	\$23,898,190	\$12,907,454	54.01%	\$13,831,567	-6.68%
<u>Income Tax Expense:</u>						
23	Investment Tax Credits					
24	Deferred Income Taxes	(\$4,068,715)	(\$458,327)	11.26%	\$2,976,090	-115.40%
25	Income Taxes	5,993,317	2,382,175	39.75%	(1,395,741)	-270.67%
26	Total Income Tax Expense	\$1,924,602	\$1,923,848	99.96%	\$1,580,349	21.74%
27	<b>Net Regulated Earnings</b>	<b>\$21,973,589</b>	<b>\$10,983,606</b>	<b>49.99%</b>	<b>\$12,251,218</b>	<b>-10.35%</b>

## I. INTRASTATE RETURN ON EQUITY

GAS UTILITY  
PAGE 2 OF 2MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
ANNUAL REPORT  
TO THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION

Line #	Description	(A)	(B)	(C)	(D)	(E)
		2022 Total Company	2022 North Dakota	ND % (B / A)	2021 North Dakota	Variance (B-D / D)
	<u>Rate Base:</u>					
1	Plant in Service 1/	\$787,078,640	\$347,573,249	44.16%	\$332,232,811	4.62%
2	Less: Accumulated Depreciation 1/	346,872,718	133,331,390	38.44%	124,490,235	7.10%
3	Net Plant in Service	\$440,205,922	\$214,241,859	48.67%	\$207,742,576	3.13%
	<u>Additions:</u>					
4	Materials and Supplies 2/	\$5,530,407	\$2,324,350	42.03%	\$2,172,938	6.97%
5	Prepayments 2/	916,451	370,141	40.39%	313,540	18.05%
6	Prepaid Demand/Commodity 2/	891,612	10,253	1.15%	8,675	18.19%
7	Fuel Stocks 2/	24,694	24,694	100.00%	15,553	58.77%
8	Gas in Underground Storage 2/	3,098,771	82,564	2.66%	38,383	115.11%
9	Unamort. Redemption Cost of Pref. Stock 1/	84,869	43,428	51.17%	47,406	-8.39%
10	Unamortized Loss on Debt 1/	479,067	238,180	49.72%	298,519	-20.21%
11	Pension/Post Retirement 1/	44,609,139	19,085,842	42.78%	9,174,425	108.03%
12	Gain/Loss on Property 1/	445,525	445,525	100.00%	467,968	-4.80%
13	Total Additions	\$56,080,535	\$22,624,977	40.34%	\$12,537,407	80.46%
	<u>Deductions:</u>					
14	Accum. Deferred Income Taxes 1/	\$63,971,047	\$29,090,506	45.47%	\$26,748,285	8.76%
15	Cust. Advances for Construct. 2/	12,183,068	6,593,138	54.12%	7,285,803	-9.51%
16	Total Deductions	\$76,154,115	\$35,683,644	46.86%	\$34,034,088	4.85%
17	<b>Average Rate Base</b>	<u>\$420,132,342</u>	<u>\$201,183,192</u>	<u>47.89%</u>	<u>\$186,245,895</u>	<u>8.02%</u>
18	Rate of Return on Avg. Rate Base	5.230%	5.460%		6.578%	
19	Less: Weighted Cost of Debt	<u>2.206%</u>	<u>2.206%</u>		<u>2.076%</u>	
20	Weighted Return on Equity	3.024%	3.254%		4.502%	
21	% of Equity to Capital Structure	<u>50.084%</u>	<u>50.084%</u>		<u>49.350%</u>	
22	<b>Return on Equity</b>	<u>6.038%</u>	<u>6.497%</u>		<u>9.123%</u>	

1/ Beginning and ending year average.

2/ Thirteen month average.

**MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
ANNUAL REPORT  
TO THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

Line #	Description	(A) 2022 Average Average (000's)	(B) Ratio	(C) Cost	(D) Weighted Cost
1	Long-Term Debt 1/	\$855,382	46.628%	4.506%	2.101%
2	Short-Term Debt 2/	60,313	3.288%	3.197%	0.105%
3	Common Equity	<u>918,804</u>	<u>50.084%</u>	3/	<u>3/</u>
4	Total	<u><u>\$1,834,499</u></u>	<u><u>100.000%</u></u>		<u><u>3/</u></u>

- 1/ Includes additional other long-term debt and excludes \$7.0 million economic development loan for a North Dakota project.
- 2/ Reflects monthly average short-term debt.
- 3/ Return on equity is calculated in Section I, page 2 of 2.

II. CAPITAL STRUCTURE - TOTAL UTILITY

MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
LONG-TERM DEBT CAPITAL  
DECEMBER 31, 2022

Description	Date of Issuance	Date of Maturity	Interest Rate	Principal Amount of Issue	Gross Proceeds	Underwriters' Commission		Loss on Reacquisition Redemption and Issuance Expense	
						Amount	% Gross Proceeds	Amount	% Gross Proceeds
Unsecured Long-Term Debt									
5.98% - Senior Note	12/15/03	12/15/33	5.980%	\$30,000,000	\$30,000,000	\$624,465	2.082%	0	0.000%
6.33% - Senior Note	08/24/06	08/24/26	6.330%	100,000,000	100,000,000	344,061	0.344%	\$10,532,009	10.532%
5.18% - Senior Note	04/15/14	04/15/44	5.180%	50,000,000	50,000,000	239,178	0.478%	0	0.000%
4.24% - Senior Note	07/15/14	07/15/24	4.240%	60,000,000	60,000,000	291,263	0.485%	0	0.000%
4.34% - Senior Note	07/15/14	07/15/26	4.340%	40,000,000	40,000,000	197,042	0.493%	0	0.000%
3.78% - Senior Note	10/29/15	10/30/25	3.780%	87,000,000	87,000,000	471,997	0.543%	0	0.000%
4.87% - Senior Note	10/29/15	10/30/45	4.870%	11,000,000	11,000,000	59,461	0.541%	0	0.000%
4.03% - Senior Note	12/10/15	12/10/30	4.030%	52,000,000	52,000,000	286,355	0.551%	0	0.000%
4.15% - Senior Note	11/21/16	11/21/46	4.150%	40,000,000	40,000,000	226,084	0.565%	0	0.000%
3.73% - Senior Note	03/21/17	03/21/37	3.730%	40,000,000	40,000,000	173,637	0.434%	0	0.000%
3.36% - Senior Note	03/21/17	03/21/32	3.360%	20,000,000	20,000,000	86,071	0.430%	0	0.000%
2.00% - Senior Note	09/05/17	09/03/32	2.000%	7,000,000	7,000,000	6,029	0.062%	0	0.000%
3.66% - Senior Note	10/17/19	10/17/39	3.660%	50,000,000	50,000,000	234,202	0.468%	0	0.000%
3.98% - Senior Note	10/17/19	10/17/49	3.980%	50,000,000	50,000,000	234,202	0.468%	0	0.000%
4.08% - Senior Note	11/18/19	11/18/59	4.080%	100,000,000	100,000,000	435,969	0.436%	0	0.000%
3.21% - Senior Note	09/15/21	09/15/51	3.210%	55,000,000	55,000,000	265,095	0.482%	0	0.000%
3.31% - Senior Note	09/15/21	09/15/61	3.310%	20,000,000	20,000,000	96,432	0.482%	0	0.000%
3.21% - Senior Note	12/15/21	12/15/51	3.210%	50,000,000	50,000,000	215,015	0.430%	0	0.000%
Total Long-Term Debt Capital				<u>\$862,000,000</u>	<u>\$862,000,000</u>	<u>\$4,486,558</u>		<u>\$10,532,009</u>	

Description	Net Proceeds		Cost of Money 1/	Principal Outstanding	Annual Cost	Embedded Cost
	Amount	Per Unit				
Unsecured Long-Term Debt						
5.98% - Senior Note	\$29,375,535	97.918%	6.210%	\$30,000,000	\$1,863,000	
6.33% - Senior Note	89,123,930	89.124%	7.514%	100,000,000	7,514,000	
5.18% - Senior Note	49,760,822	99.522%	5.280%	50,000,000	2,640,000	
4.24% - Senior Note	59,708,737	99.515%	4.346%	60,000,000	2,607,600	
4.34% - Senior Note	39,802,958	99.507%	4.442%	40,000,000	1,776,800	
3.78% - Senior Note	86,528,003	99.457%	3.883%	87,000,000	3,378,210	
4.87% - Senior Note	10,940,539	99.459%	4.964%	11,000,000	546,040	
4.03% - Senior Note	51,713,645	99.449%	4.122%	52,000,000	2,143,440	
4.15% - Senior Note	39,773,916	99.435%	4.228%	40,000,000	1,691,200	
3.73% - Senior Note	39,826,363	99.566%	3.797%	40,000,000	1,518,800	
3.36% - Senior Note	19,913,929	99.570%	3.425%	20,000,000	685,000	
2.00% - Senior Note	7,000,000	100.000%	2.000%	7,000,000	140,000	
3.66% - Senior Note	49,765,798	99.532%	3.728%	50,000,000	1,864,000	
3.98% - Senior Note	49,765,798	99.532%	4.046%	50,000,000	2,023,000	
4.08% - Senior Note	99,564,031	99.564%	4.144%	100,000,000	4,144,000	
3.21% - Senior Note	54,734,905	99.518%	3.262%	55,000,000	1,794,100	
3.31% - Senior Note	19,903,568	99.518%	3.360%	20,000,000	672,000	
3.21% - Senior Note	49,784,985	99.570%	3.258%	50,000,000	1,629,000	
Total Long-Term Debt Capital	<u>\$846,987,462</u>			<u>\$862,000,000</u>	<u>\$38,630,190</u>	<u>4.481%</u>

1/ Yield to maturity based upon the life, net proceeds, and semiannual compounding of stated interest rate.

III. AFFILIATED TRANSACTIONS

MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
ANNUAL REPORT  
TO THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION  
MAJOR TRANSACTIONS 2022

Line #	Affiliate's Name	General Description of Service Rendered and/or Supplied	Revenue or (Expense)	
			Total Company	Allocated to North Dakota
1	Knife River Corporation	Electric Sales	\$151,400	\$151,400
2		Natural Gas Sales	124,108	75,047
3	WBI Energy	Electric Sales	763,063	296,367
4		Natural Gas Pipeline Services	(60,141,420)	(26,225,812)
5		Natural Gas Sales	52,085	6,870
6	FutureSource	Electric Sales	193,614	193,614
7		Natural Gas Sales	22,709	22,709
8	JTL Group	Natural Gas Sales	18,189	0
	Total		<u>(\$58,816,252)</u>	<u>(\$25,479,805)</u>

IV. MISCELLANEOUS

MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
ANNUAL REPORT TO THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION  
Montana-Dakota Utilities Co. and Great Plains Natural Gas Co. Combined

Line #	Description	2022	2021	2020	2019	2018
	<u>Customer Related</u>					
1	Year End Customers - Residential	98,903	98,380	97,904	97,163	96,464
2	- Firm General	16,407	16,200	16,019	15,855	15,659
3	- Small Interruptible	135	135	142	143	140
4	- Large Interruptible	1	1	1	2	2
5	- Other - Transportation	75	77	76	76	77
6	- Total	<u>115,521</u>	<u>114,793</u>	<u>114,142</u>	<u>113,239</u>	<u>112,342</u>
7	Dk Sold - Residential	9,634,046	7,999,106	8,623,072	9,483,387	9,312,803
8	- Firm General	9,244,259	7,706,243	8,143,036	8,898,696	8,424,902
9	- Small Interruptible	1,605,841	1,203,848	1,399,006	1,615,405	1,460,247
10	- Large Interruptible	494,233	637,435	460,060	481,593	442,814
11	- Other - Transportation	6,844,587	6,535,635	6,290,506	7,018,159	6,950,990
12	- Total	<u>27,822,966</u>	<u>24,082,267</u>	<u>24,915,680</u>	<u>27,497,240</u>	<u>26,591,756</u>

**MONTANA-DAKOTA UTILITIES CO. AND  
GREAT PLAINS NATURAL GAS CO.**

**NORTH DAKOTA COST OF SERVICE STUDY  
GAS OPERATIONS**

**2022**

**MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
INCOME STATEMENT  
GAS UTILITY  
TWELVE MONTHS ENDED DECEMBER 31, 2022**

	Total Company	North Dakota	Others
<b><u>Operating Revenues</u></b>			
Sales Revenues			
Residential	\$244,410,883	\$94,922,039	\$149,488,844
Firm General	180,467,369	79,430,161	101,037,208
Small Interruptible	17,550,533	11,210,107	6,340,426
Large Interruptible	10,005,910	4,361,945	5,643,965
Unbilled Revenue	8,907,361	3,192,879	5,714,482
Reserve for Refunds	0	0	0
Total Sales Revenues	<u>\$461,342,056</u>	<u>\$193,117,131</u>	<u>\$268,224,925</u>
Transportation Revenues			
Small Interruptible	\$2,475,928	\$1,329,968	\$1,145,960
Large Interruptible	5,737,431	1,816,198	3,921,233
Unbilled Revenue	(486,122)	(194,964)	(291,158)
Total Transportation Revenues	<u>\$7,727,237</u>	<u>\$2,951,202</u>	<u>\$4,776,035</u>
Other Operating Revenues	<u>\$5,856,366</u>	<u>\$3,483,935</u>	<u>\$2,372,431</u>
Total Operating Revenues	<u>\$474,925,659</u>	<u>\$199,552,268</u>	<u>\$275,373,391</u>
<b><u>Operating Expenses</u></b>			
Operation and Maintenance			
Cost of Purchased Gas	\$342,355,379	\$146,721,803	\$195,633,576
Production	634,540	276,489	358,051
Transmission	39,953	9,682	30,271
Distribution	28,726,367	11,286,876	17,439,491
Customer Accounts	7,619,486	2,704,970	4,914,516
Customer Service & Information	1,508,285	313,199	1,195,086
Sales	413,646	154,748	258,898
Administrative & General	26,957,403	10,260,463	16,696,940
Total O&M Expenses	<u>\$408,255,059</u>	<u>\$171,728,230</u>	<u>\$236,526,829</u>
Depreciation			
Transmission	\$140,569	\$38,142	\$102,427
Distribution	22,469,226	9,716,792	12,752,434
General	1,239,915	355,772	884,143
Common	1,063,905	477,449	586,456
Amort. of Intangible Plant - General	735,929	372,912	363,017
Amort. of Intangible Plant - Common	2,925,932	1,205,859	1,720,073
Total Depreciation Expense	<u>\$28,575,476</u>	<u>\$12,166,926</u>	<u>\$16,408,550</u>

**MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
INCOME STATEMENT  
GAS UTILITY  
TWELVE MONTHS ENDED DECEMBER 31, 2022**

	Total Company	North Dakota	Others
<b><u>Operating Expenses Con't.</u></b>			
Taxes Other Than Income Taxes			
Ad Valorem Taxes			
Transmission	\$50,227	\$12,528	\$37,699
Distribution	10,027,249	1,681,259	8,345,990
General	778,966	94,277	684,689
Common	256,262	67,099	189,163
Intangible	648	0	648
Total Ad Valorem Taxes	<u>\$11,113,352</u>	<u>\$1,855,163</u>	<u>\$9,258,189</u>
Other Taxes	<u>3,083,582</u>	<u>894,495</u>	<u>2,189,087</u>
Total Taxes Other Than Income Taxes	<u>\$14,196,934</u>	<u>\$2,749,658</u>	<u>\$11,447,276</u>
Current Income Taxes	\$5,993,317	\$2,382,175	\$3,611,142
Deferred Income Taxes	<u>(4,068,715)</u>	<u>(458,327)</u>	<u>(3,610,388)</u>
Total Operating Expenses	<u>\$452,952,071</u>	<u>\$188,568,662</u>	<u>\$264,383,409</u>
<b>Operating Income</b>	<u><u>\$21,973,588</u></u>	<u><u>\$10,983,606</u></u>	<u><u>\$10,989,982</u></u>
<b>Year End Rate Base</b>	<u><u>\$433,543,393</u></u>	<u><u>\$205,307,556</u></u>	<u><u>\$228,235,837</u></u>
<b>Rate of Return</b>	<u><u>5.07%</u></u>	<u><u>5.35%</u></u>	<u><u>4.82%</u></u>

**MONTANA-DAKOTA UTILITIES CO.  
GREAT PLAINS NATURAL GAS CO.  
YEAR END RATE BASE  
GAS UTILITY  
TWELVE MONTHS ENDED DECEMBER 31, 2022**

<b><u>Plant in Service</u></b>	Total Company	North Dakota	Others
Gas Plant in Service			
Transmission	\$7,519,670	\$2,016,312	\$5,503,358
Distribution	653,652,368	292,124,087	361,528,281
General	62,918,810	19,052,981	43,865,829
Intangible Plant - General	14,401,792	8,780,472	5,621,320
Common	34,570,689	19,026,661	15,544,028
Intangible Plant - Common	39,340,490	16,169,759	23,170,731
Acquisition Adjustment	97,266	97,266	0
Total Gas Plant in Service	<u>\$812,501,085</u>	<u>\$357,267,538</u>	<u>\$455,233,547</u>
Accumulated Reserve for Depreciation			
Transmission	\$2,373,085	\$642,198	\$1,730,887
Distribution	297,110,992	114,145,466	182,965,526
General	16,530,815	4,433,415	12,097,400
Intangible Plant - General	5,691,619	3,002,941	2,688,678
Common	12,684,499	6,683,609	6,000,890
Intangible Plant - Common	24,599,456	10,204,985	14,394,471
Acquisition Adjustment	83,413	83,413	0
Total Accum. Reserve for Depreciation	<u>\$359,073,879</u>	<u>\$139,196,027</u>	<u>\$219,877,852</u>
Net Gas Plant in Service	\$453,427,206	\$218,071,511	\$235,355,695
<b><u>Additions</u></b>			
Materials and Supplies	\$5,129,142	\$2,319,558	\$2,809,584
Fuel Stocks	18,421	18,421	0
Prepayments	183,312	72,537	110,775
Prepaid Demand/Commodity	1,672,268	16,665	1,655,603
Gas in Underground Storage	4,258,075	158,234	4,099,841
Unamort. Redemption Cost of Pref Stock	80,981	41,439	39,542
Unamortized Loss on Debt	425,324	209,313	216,011
Pension/Post Retirement	45,811,290	19,822,835	25,988,455
Gain/Loss on Property	434,303	434,303	0
Total Additions	<u>\$58,013,116</u>	<u>\$23,093,305</u>	<u>\$34,919,811</u>
Total Before Deductions	\$511,440,322	\$241,164,816	\$270,275,506
<b><u>Deductions</u></b>			
Accumulated Deferred Income Taxes	\$64,210,484	\$29,236,929	\$34,973,555
Customer Advances	13,686,445	6,620,331	7,066,114
Total Deductions	<u>\$77,896,929</u>	<u>\$35,857,260</u>	<u>\$42,039,669</u>
<b>Year End Rate Base</b>	<u><u>\$433,543,393</u></u>	<u><u>\$205,307,556</u></u>	<u><u>\$228,235,837</u></u>

**REPORT OF INDEPENDENT  
PUBLIC ACCOUNTANTS**

**2022**



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## INDEPENDENT ACCOUNTANT'S REPORT

To the Managing Committee of  
Montana-Dakota Utilities Co.:

We have examined the accompanying schedules of the Cost of Gas per dk and Fuel and Purchased Power Cost per kWh (collectively, "the Schedules") of Montana-Dakota Utilities Co. (the "Company"), a wholly owned subsidiary of MDU Resources Group Inc., for the period from January 1, 2022 to December 31, 2022. The Company's management is responsible for the calculation of the cost of gas per dekatherm ("dk") and fuel and purchased power cost per kilowatt-hour ("kWh") in the Schedules in accordance with the criteria established by the North Dakota Public Service Commission (the "Commission") and based upon Chapters 69-09-01-30 and 69-09-02-39 of the North Dakota Administrative Code (the "Code") and Cost of Gas Rate 88 and Fuel and Purchased Power Adjustment Rate 58 (the "Tariffs") filed by the Company with the Commission. Our responsibility is to express an opinion on these Schedules based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedules are in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Schedules. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedules, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Schedules of the Cost of Gas per dk and Fuel and Purchased Power Cost per kWh of Montana-Dakota Utilities Co. for the period from January 1, 2022 to December 31, 2022, present the cost of gas per dk and the fuel and purchased power cost per kWh in accordance with Chapters 69-09-01-30 and 69-09-02-39 of the Code and the Tariff's filed by the Company, in all material respects.

This report is intended solely for the information and use of the Managing Committee of the Company and the Commission, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Deloitte & Touche LLP*

April 5, 2023

**MONTANA-DAKOTA UTILITIES CO.**

**SCHEDULE OF 2022 COST OF GAS PER DK**

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<b>Effective for the Month of:</b>	<b>Residential and General Service (\$)</b>	<b>Small and Large Interruptible (\$)</b>	<b>Air Force Interruptible (\$)</b>
January	5.819	4.446	4.594
February	5.819	4.446	4.594
March	5.819	4.446	4.594
April	5.819	4.446	4.594
May	8.036	5.295	5.440
June	9.481	6.762	6.900
July	10.267	7.548	7.683
August	8.949	6.231	6.371
September	10.293	7.549	7.684
October	10.095	9.277	9.316
November	7.494	6.664	6.714
December	7.117	6.304	6.356

**MONTANA-DAKOTA UTILITIES CO.**

**SCHEDULE OF 2022 FUEL AND PURCHASED POWER COST PER kWh**

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<b>Effective for the month of:</b>	<b>Primary (\$)</b>	<b>Secondary (\$)</b>
January	0.02149	0.02293
February	0.02915	0.03068
March	0.03119	0.03250
April	0.03373	0.03507
May	0.03018	0.03136
June	0.02492	0.02606
July	0.02231	0.02355
August	0.01930	0.02057
September	0.02487	0.02635
October	0.02512	0.02654
November	0.02325	0.02465
December	0.02425	0.02569



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## INDEPENDENT ACCOUNTANT'S REPORT

To the Managing Committee of  
Great Plains Natural Gas Co.:

We have examined the accompanying schedule of Cost of Gas per dk (the "Schedule") of Great Plains Natural Gas Co. (the "Company"), a division of Montana Dakota Utilities Co., which is a wholly owned subsidiary of MDU Resources Group Inc., for the period from January 1, 2022 to December 31, 2022. The Company's management is responsible for the calculation of the cost of gas per dk in the Schedule in accordance with the criteria established by the North Dakota Public Service Commission (the "Commission") and based upon Chapter 69-09-01-30 of the North Dakota Administrative Code (the "Code") and the Cost of Gas Rate 88 (the "Tariff") filed by the Company with the Commission. Our responsibility is to express an opinion on the Schedule based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Schedule. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Schedule of the Cost of Gas per dk of Great Plains Natural Gas Co. for the period from January 1, 2022 to December 31, 2022, presents the cost of gas in accordance with Chapter 69-09-01-30 of the Code and the Tariffs filed by the Company with the Commission, in all material respects.

This report is intended solely for the information and use of the Managing Committee of the Company and the Commission, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Deloitte & Touche LLP*

April 5, 2023

**GREAT PLAINS NATURAL GAS CO.**

**SCHEDULE OF 2022 COST OF GAS PER DK**

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Effective for the Month of	Cost of Gas Factor	
	Firm (\$)	Interruptible (\$)
January	10.3135	9.1512
February	9.1015	7.9392
March	7.9006	6.7383
April	8.4417	7.2794
May	10.3646	9.2023
June	12.4125	11.2584
July	7.5020	6.3802
August	9.9039	8.7821
September	10.2537	9.1319
October	5.5235	5.4299
November	5.5235	5.4299
December	7.3081	7.2611