



A Subsidiary of MDU Resources Group, Inc.

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July 14, 2023

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-23-_____

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 (1st 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, 2023.

The Company is requesting to update its TCA rates to reflect the projected charges for July 2023 through June 2024 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-22-323, and the projected revenue requirement associated with transmission capital projects for the Tioga 2 substation upgrade and related transmission line re-route. The revenue requirement and proposed rates have been updated to reflect the Company's electric general rate case, Case No. PU-22-194. Items that were updated were depreciation rates, the effective property tax rate for transmission assets, the authorized rate of return, and the customer class Demand Allocation Factor No. 2.

The projected net transmission-related costs include the transmission revenues from a large customer taking service under the Company's Rate 45 tariff, consistent with the Electric Service Agreement (ESA) approved in Case No. PU-22-371.

The net transmission-related cost proposed to be recovered in the current filing compared to the prior filing is shown in the table below. The current year's projection

represents a reduction of \$10,683,309, or approximately 83 percent from the prior year. A Rate 45 customer began taking service in March 2023 and accounts for \$7,629,933 of this reduction, including the estimated amount in the over-recovered balance of \$2,262,763, as the customer was not included in the prior year's filing. Also contributing is higher MISO revenues and SPP 30.9 Facility Credits of \$1,382,920 and an over collection of prior year's costs due to lower other net costs and higher than projected volumes.

	Current Filing	Prior Filing	Variance
Net MISO/SPP Expense:	\$1,560,751	\$8,514,870	(\$6,954,119)
Transmission Projects - Approved:	5,745,235	6,175,714	(430,479)
Transmission Projects - Proposed:	230,878	0	230,878
Over Recovery Balance:	(5,343,489)	(1,813,900)	(3,529,589)
	\$2,193,375	\$12,876,684	(\$10,683,309)

A residential customer using 800 kWh per month would see a decrease of \$4.70 under the proposed TCA rate or a decrease of \$56.40 annually. The proposed TCA rates are shown in the table below, along with the change from the current TCA rates implemented November 1, 2022:

	Proposed Rate/kWh	Current Rate/kWh	Change/kWh
Residential & Small General (Rates 10, 13, 16, 20, 25 & 40)	\$0.00166	\$0.00704	(\$0.00588)
Large General & Contracts (Rates 30, 31, 32, 38, & 48, Contracts)	\$0.00095	\$0.00562	(\$0.00467)
Lighting (Rates 41 & 52)	\$0.00038	\$0.00351	(\$0.00313)

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, there will not be a fee submitted with this filing.

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

Sincerely,

A handwritten signature in blue ink that reads "Travis Jacobson". The signature is written in a cursive style with a large initial "T".

Travis R. Jacobson
Director of Regulatory Affairs

Attachments
cc: Allison Waldon

**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-23-____
Cost Adjustment Rate 59)

I. Summary of Application

Montana-Dakota Utilities Co. (Montana-Dakota, Company) 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 2024, and the projected revenue requirement for transmission investments being placed into service through June 2024 and proposed to be recovered through the TCA mechanism. The Company requests approval of Transmission Cost Adjustment Rate 59 (1st Revised Sheet No. 43.1) to be effective with service rendered on and after November 1, 2023. In support of this Application, Montana-Dakota is providing the following exhibits:

- Exhibit 1 – Transmission Cost Adjustment Rate 59 1st Revised Sheet No. 43.1
- Exhibit 2 – Transmission Cost Adjustment Proposed Rates
- Exhibit 3 – Projected Summary of Revenue and Expenses, July 2023 – June 2024
- Exhibit 4 – Projected 2023 and 2024 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 93,900 customers in North Dakota as of June 30, 2023.

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 2023 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-22-323 and implemented with service rendered on and after November 1, 2022.

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 2023 – June 2024, and to include the projected over collected balance as of October 2023. The projected recovery includes the benefit realized by the inclusion of a large customer taking service under the Company's Rate 45 tariff, as explained on pages 6-7. The revenue requirement and proposed rates have also been updated to reflect the Company's electric general rate case, Case No. PU-22-194. Items that were updated were depreciation rates, the effective property tax rate for transmission assets, the authorized rate of return, and the customer class Demand Allocation Factor No. 2. The Company is proposing the rates proposed herein be effective with service rendered on and after November 1, 2023.

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 \$2,193,375 which is comprised of July 2023 – June 2024 net projected transmission costs of

\$1,560,751, the projected revenue requirement of \$5,745,235 related to transmission investments approved in the Company's most recent filing, the projected revenue requirement of \$230,878 for proposed transmission projects being placed into service in 2023 related to the Tioga substation upgrades and the related Neseet line reroute, partially offset by a projected over-recovered balance of the Company's current costs of \$5,343,489. The total costs are allocated to the respective rate classes based on the Company's transmission allocation factor (Demand Factor No. 2) authorized in Case No. PU-22-194.

The net transmission-related cost proposed to be recovered in the current filing compared to the prior filing is shown in the table below. The current year's projection represents a reduction of \$10,683,309, or approximately 83 percent from the prior year. A Rate 45 customer began taking service in March 2023 and accounts for \$7,629,933 of this reduction, including the estimated amount in the over-recovered balance of \$2,262,763 as the customer was not included in the prior year's filing. This customer is explained in more detail on pages 6-7. Also contributing is higher MISO revenues and SPP 30.9 Facility Credits of \$1,382,920 and an over collection of prior year's costs due to lower other net costs and higher than projected volumes.

	Current Filing	Prior Filing	Variance
Net MISO/SPP Expense:	\$1,560,751	\$8,514,870	(\$6,954,119)
Transmission Projects - Approved:	5,745,235	6,175,714	(430,479)
Transmission Projects - Proposed:	230,878	0	230,878
Over Recovery Balance:	(5,343,489)	(1,813,900)	(3,529,589)
	\$2,193,375	\$12,876,684	(\$10,683,309)

- *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 2 MISO revenues are not included in the projection. Effective December 1, 2022, per FERC Order Docket No. ER23-523, this Schedule has been removed from MISO's Tariff. Projected revenues do include the estimated Rate 45 customer as previously described.
- *Exhibit 4* shows the projected monthly revenue requirements for currently approved projects and storm related costs being placed into service through June 2024, including O&M costs. Details of the proposed Tioga substation and line project is included on page 9. The revenue requirement for the period July 2023 through June 2024 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 = \$57,137,660 of projects approved in Case No. PU-22-323, as well as \$2,681,702 of new proposed capital projects not currently being recovered in the TCA, as of June 2024 (as shown in Exhibit 4, pages 4 and 7).
 - Return on Rate Base: reflective of the authorized Capital Structure and the Return on Equity of 9.75% authorized in the Company's last electric rate case (Case No. PU-22-194).
 - Depreciation Expense: annual depreciation rates for transmission related assets as authorized in Case Nos. PU-16-666 and PU-22-164.
 - 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 2023. 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, 2024.

V. Rate 45 Customer

The proposed revenue requirement includes the net transmission related expenses and revenue related to a Rate 45 customer (Customer). Pursuant to the Company's Rate 45 Tariff, the Customer has an Electric Service Agreement, which was approved in Case No. PU-22-371. In total, the benefit passed on to the customers by the inclusion of the Customer's activity for this filing, as indicated in the chart below, is \$7,629,933.

	As Filed 1/	No Rate 45 2/	Change
Projected Costs to be Recovered:			
Net MISO/SPP Expense:	\$1,560,751	\$6,927,921	(\$5,367,170)
Transmission Projects' Revenue Requirement:	5,976,113	5,976,113	0
Over Recovery Balance:	(5,343,489)	(3,080,726)	(2,262,763)
Net Transmission Expense	\$2,193,375	\$9,823,308	(\$7,629,933)

1/ See Exhibit 2, page 1.

2/ Excludes Rate 45 revenue and passthrough charges.

All customers of Montana-Dakota benefit from this customer's service through the crediting of transmission revenue received from this customer. For a residential

customer using 800 KWh, the Company estimated a cost savings of approximately \$3.22 per month, or \$38.64 per year.

VI. Transmission Investments

Montana-Dakota is proposing to include costs related to transmission capital projects being placed into service in through June 2024, for new or modified electric transmission facilities as permitted by NDCC 49-05-04.3.

Previous filings included a variety of projects. These projects are included in Exhibit 4, pages 2-5 by location. Below is a breakdown of the total project cost included in the current filing, by location, as compared to the total project cost included in Case No. PU-22-323.

<u>Total Project Cost by Location:</u>			
	Case No. PU-22-323 June 2023	Current Filing June 2024	Change
Bowdle	\$2,267,270	\$2,267,270	\$0
Leola	2,477,223	2,477,223	0
Dickinson	8,272,166	8,272,166	0
Watford City	15,730,398	15,730,398	0
Lightning Protection	810,042	774,446	(35,596)
Richland	3,545,289	3,599,719	54,430
Crosby	1,183,328	1,183,328	0
Bismarck	1,037,381	1,037,381	0
Mandan	15,332,119	14,908,863	(423,256)
Mobile Sub	2,673,995	2,673,995	0
Tioga	2,081,000	2,183,551	102,551
Winter Storm Repair	2,414,569	2,029,320	(385,249)
Sub-Total:	\$57,824,780	\$57,137,660	(\$687,120)
Proposed - Tioga	0	2,681,702	2,681,702
Grand Total:	\$57,824,780	\$59,819,362	\$1,307,462

Following is an explanation of those projects that varied from previous filings.

- Lightning Protection Project – In Case No. PU-22-323, this project was estimated to cost approximately \$425,000. Upon completion, the total cost of the project was \$389,399. The project was under budget due to a lower number of arresters being installed than was initially planned.
- Richland Control House Project – In Case No. PU-22-323, the Control House project was \$3,000,225 of the total projects included in this location. While a majority of the work had been completed, there was an additional \$54,430 in expenses since the last filing to complete this project to reflect the final invoicing and cost reconciliation for the physical construction.
- Mandan/Heskett Substation and Lines Project – In Case No. PU-22-323, a total of \$15,332,119 in project costs was included for this location. Project costs were less than previously projected due to less than estimated contractor and material costs.
- Tioga Line Project – In Case No. PU-22-323, the transmission line loop, line rebuild, and line relocate projects were estimated to cost \$2,081,000. Project costs were more than previously estimated due to higher than expected construction costs.
- Winter Storm Repair – In Case No. PU-22-323, the costs to repair and replace transmission lines damaged in a major winter storm in late April 2022 were estimated to cost \$2,414,569. This figure included both the cost of the new materials and the cost of removal of the damaged lines and structures. In the current filing, the total cost included in plant in service is \$2,029,320. As stated, in the prior filing the cost of removal was included in the total estimated cost,

which was all included as plant-in service. In the current filing, the cost of removal is included as an adjustment to accumulated reserve. This is correct treatment as these costs would not be a part of plant in service. See Exhibit 4, pages 2 and 4.

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

- Tioga Substation Upgrade and Line Relocate – This project involves constructing a 115 kV ring bus addition at the Tioga 2 Transmission substation. The addition will include installing new 115 kv circuit breakers, replacing an aged 115 Kv circuit breaker, replacing a 20 MVAR capacitor bank and installing a second 20 MVAR capacitor bank. This addition will allow the retirement of the Tioga 1 Transmission substation due to age and condition of the substation. This project will require the relocation of the existing 115 kV Neset Transmission line to connect with the Tioga 2 substation. The total cost of this project will be \$3.8 million, with \$2.7 million being allocated to North Dakota customers. See Exhibit 4, pages 6-10. This project did not get included in the most recent electric rate case, Case No. PU-22-194, as the decision to move forward was still being finalized at the time of the filing of the rate case.

VII. Transmission Project Justification

This filing includes multiple transmission substation and line projects. These projects have been undertaken for reasons including, but not limited to, enhancing the reliability of the existing system, replacement projects due to the age and

condition of an asset, and satisfying the FERC regulatory requirements as determined by the MISO and SPP planning process. The projects, by location, are shown in the table below. The projects listed on the MISO Appendix A are identified by the MTEP Project ID and Facility ID.

	<u>MTEP Project ID</u>	<u>MTEP Facility ID</u>	<u>Reasoning</u>
Bowdle:			
Construct new 115/41.6kV Substation	N/A		Age and condition, system reliability
Reroute TL067-1 to new substation	N/A		Rerouted line to new substation.
Leola:			
Install 115kV Ring Bus	N/A		System reliability
Construct new 115kV Substation	N/A		System reliability, age and condition
Install ICON Equipment	N/A		System reliability
Dickinson:			
Install line loop 115kV - TL174-1	N/A		System reliability
Install 115kV breakers - north sub	N/A		System reliability
Reroute/rebuild 115kV line loop - west sub	N/A		System reliability
Watford City:			
Construct 230kV substation	N/A		System reliability
Construct line from NW sub to WAPA sub	N/A		System reliability
Construct line for WAPA interconnect	N/A		System reliability
230kV Interconnection Upgrades	N/A		System reliability
Lightning Protection:			
Install Arresters - Tioga to Kincade	N/A		System reliability
Install Arresters - Beulah to Glen Ullin	N/A		System reliability
Richland:			
Reconductor line - L&C sub to WAPA sub	N/A		SPP Planning Study
Install New Control house	N/A		Age and condition
Crosby:			
Reroute/Rebuild Crosby to Zahl line	N/A		System reliability
Install 115kV breaker to Sweet Ave sub	N/A		System reliability
Mandan:			
Install 230kV breaker/bays - Phase 1	17466	24559	MISO Planning project
Relocate TL088-1 to Mandan sub	17466	24557	MISO Planning project
Relocate TL039-1 to Mandan sub	17466	24564	MISO Planning project
Relocate TL129-1 to Mandan sub	N/A		System reliability
Relocate TL158-1 to Mandan sub	17466	24570	MISO Planning project
Install 115/41.6kV breaker/bays - Phase 2	17466	24562	MISO Planning project
Construct 115/69/41.6kV sub	17466	24563	MISO Planning project
Relocate TL098-1 to new Mandan sub	17466	24566	MISO Planning project
Relocate TL403-1 & TL405-1 to new Mandan sub	17466	24568	MISO Planning project
Relocate TL133-1 to new Mandan sub	17466	24567	MISO Planning project
Relocate TL157-1 to Mandan sub	17466	24569	MISO Planning project

		MTEP Project ID	MTEP Facility ID	Reasoning
Mobile Substation:				
FP - 307582	Purchase mobile substation	N/A		System reliability
Tioga:				
FP - 307644	Construct Tioga loop line	21894	26702	MISO Planning project
FP - 319071	Rebuild line - TL006-6	N/A		System reliability
FP - 319368	Relocate line -TL006-8	N/A		System reliability
Storm Repair:				
FP - 322249	Repair/Rebuild TL039-1 and TL169-1	N/A		Emergency rebuild
FP - 322249	Repair/Rebuild 41.6kV and 60kV lines	N/A		Emergency rebuild
Tioga - Proposed:				
FP - 302612	Tioga Sub #2 - 115kV Ring Addition	21894	26484	MISO Planning project
FP - 321820	Relocate Neset Line	N/A		System Reliability

VIII. 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 \$2,193,375. A residential customer using 800 kWh a month would see a decrease of \$4.70 per month under the proposed TCA rates or a decrease of \$56.40 annually. Montana-Dakota requests approval of the following TCA rates to be effective November 1, 2023:

		<u>Proposed Rate/kWh</u>	<u>Current Rate/kWh</u>	<u>Change/kWh</u>
Residential & Small General	(Rates 10, 13, 16, 20, 25 & 40)	\$0.00166	\$0.00704	(\$0.00588)
Large General & Contracts	(Rates 30, 31, 32, 38, & 48, Contracts)	\$0.00095	\$0.00562	(\$0.00467)
Lighting	(Rates 41 & 52)	\$0.00038	\$0.00351	(\$0.00313)

Montana-Dakota has included a Customer Notice as Exhibit 7 to be included with customer's bills 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, there will not be a fee submitted with this filing.

IX. 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, 2023.

Dated this 14th day of July 2023



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.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 5
1st Revised Sheet No. 43.1
Canceling Original Sheet No. 43.1

TRANSMISSION COST ADJUSTMENT Rate 59

Page 2 of 2

3. Transmission Cost Adjustment Rate by class:

Residential & Small General	0.116¢ per Kwh
Large General	0.095¢ per Kwh
Lighting	0.038¢ per Kwh

Date Filed: July 14, 2023

Effective Date:

Issued By: Travis R. Jacobson
Director - Regulatory Affairs

Case No.:

Tariff Reflecting Proposed Changes



Montana-Dakota Utilities Co.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 5

~~Original~~ 1st Revised Sheet No. 43.1

~~Canceling Original~~ Sheet No. 43.1

TRANSMISSION COST ADJUSTMENT Rate 59

Page 2 of 2

3. Transmission Cost Adjustment Rate by class:

Residential & Small General	0.70 <u>0.116</u> ¢ per Kwh
Large General	0.56 <u>0.095</u> ¢ per Kwh
Lighting	0.35 <u>0.038</u> ¢ per Kwh

Date Filed: ~~June 12, 2023~~ July 14, 2023

Effective Date: ~~Service rendered on and~~
~~after July 1, 2023~~

Issued By: Travis R. Jacobson
Director - Regulatory Affairs

Case No.: PU-22-194

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

	Total	Residential & Small General	Large General & Contracts	Lighting
Projected Costs to be Recovered				
Net Expense 1/ 2/	\$1,560,751	\$722,586	\$833,653	\$4,512
Transmission Projects' Revenue Requirement 3/	5,976,113	2,766,781	3,192,057	17,275
Under/(Over) Balance 4/	(5,343,489)	(2,473,893)	(2,854,150)	(15,446)
Net Transmission Expense	\$2,193,375	\$1,015,474	\$1,171,560	\$6,341
 Projected Kwh 5/	 2,140,029,254	 879,039,995	 1,244,242,415	 16,746,844
 Proposed TCA Rate per kWh				
Revenue Requirement per kWh		\$0.00397	\$0.00324	\$0.00130
Amortization per kWh		(0.00281)	(0.00229)	(0.00092)
Proposed TCA Rate per kWh		0.00116	0.00095	0.00038
 Current TCA Rate per kWh 6/				
Revenue Requirement per kWh		\$0.00803	\$0.00641	\$0.00401
Amortization per kWh		(0.00099)	(0.00079)	(0.00050)
Current TCA Rate per kWh		0.00704	0.00562	0.00351
 Change in TCA Rate		 (\$0.00588)	 (\$0.00467)	 (\$0.00313)

1/ Exhibit 3, page 2.

2/ Demand Allocation Factor 2 per Case No. PU-22-194:

Residential & Small General	46.297343%	(Rates 10, 13, 16, 20, 25, 26, and 40)
Large General & Contracts	53.413594%	(Rates 30, 31, 32, 38, 48, and Contracts)
Lighting	0.289063%	(Rates 41, 52)
	100.000000%	

3/ Exhibit 4, page 1.

4/ Exhibit 5.

5/ Projected Kwh sales.

6/ Current TCA rates effective November 1, 2022.

Montana-Dakota Utilities Co.
Transmission Cost Adjustment
Summary of Revenue and Expenses Allocated to North Dakota
Projected Twelve Months Ending June 2024

	2023						2024						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
Rate 45	873,230	873,230	932,510	932,510	932,510	932,510	881,170	881,170	881,170	881,170	881,170	881,167	10,763,517
	\$893,563	\$893,563	\$952,843	\$952,843	\$952,843	\$952,843	\$901,503	\$901,503	\$901,503	\$901,503	\$901,503	\$901,504	\$11,007,517
MISO													
Revenue/Credits													
Schedule 1	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$10,913	\$130,956
Schedule 7	64,983	64,983	64,983	64,983	64,983	64,983	64,983	64,983	64,983	64,983	64,983	64,981	779,794
Schedule 8	23,900	23,900	23,900	23,900	23,900	23,900	23,900	23,900	23,900	23,900	23,900	23,896	286,796
Schedule 9	293,566	293,566	293,566	293,566	293,566	293,566	293,566	293,566	293,566	293,566	293,566	293,560	3,522,786
NITS Cust Rev Req.	(47,184)	(47,184)	(47,184)	(47,184)	(47,184)	(47,184)	(47,184)	(47,184)	(47,184)	(47,184)	(47,184)	(47,187)	(566,211)
Schedule 24	71,015	71,015	71,015	71,015	71,015	71,015	71,015	71,015	71,015	71,015	71,015	71,009	852,174
	\$417,193	\$417,193	\$417,193	\$417,193	\$417,193	\$417,193	\$417,193	\$417,193	\$417,193	\$417,193	\$417,193	\$417,172	\$5,006,295
Charges													
Schedule 10													
MISO - FERC Energy	\$59,661	\$59,661	\$59,661	\$59,661	\$59,661	\$59,661	\$59,661	\$59,661	\$59,661	\$59,661	\$59,661	\$59,658	\$715,929
MISO - FERC Demand	11,212	11,212	11,212	11,212	11,212	11,212	11,212	11,212	11,212	11,212	11,212	11,211	134,543
FERC Direct	33,316	33,316	33,316	33,316	33,316	33,316	33,316	33,316	33,316	33,316	33,316	33,315	399,791
	\$104,189	\$104,189	\$104,189	\$104,189	\$104,189	\$104,189	\$104,189	\$104,189	\$104,189	\$104,189	\$104,189	\$104,184	\$1,250,263
Schedule 26	\$322,755	\$322,755	\$322,755	\$322,755	\$322,755	\$322,755	\$254,284	\$254,284	\$254,284	\$254,284	\$254,284	\$254,284	\$3,462,234
Schedule 26A/E	618,535	594,301	569,555	576,113	613,595	669,079	682,691	649,484	635,510	562,651	559,405	577,015	7,307,934
	\$1,045,479	\$1,021,245	\$996,499	\$1,003,057	\$1,040,539	\$1,096,023	\$1,041,164	\$1,007,957	\$993,983	\$921,124	\$917,878	\$935,483	\$12,020,431

Montana-Dakota Utilities Co.
Transmission Cost Adjustment
Summary of Revenue and Expenses Allocated to North Dakota
Projected Twelve Months Ending June 2024

	2023						2024						Total
	July	August	September	October	November	December	January	February	March	April	May	June	
SPP													
Revenue/Credits													
Facility Credits	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,953	\$14,015,414
Charges													
Schedule 1	\$49,509	\$49,509	\$49,509	\$49,509	\$49,509	\$49,509	\$49,509	\$49,509	\$49,509	\$49,509	\$49,509	\$49,505	\$594,104
Schedule 1a	42,382	42,382	42,382	42,382	42,382	42,382	42,382	42,382	42,382	42,382	42,382	42,382	508,584
Schedule 9	1,387,807	1,387,807	1,387,807	1,387,807	1,387,807	1,387,807	1,387,807	1,387,807	1,387,807	1,387,807	1,387,807	1,387,803	16,653,680
Schedule 11	189,638	189,638	189,638	189,638	189,638	189,638	189,638	189,638	189,638	189,638	189,638	189,643	2,275,661
Schedule 12	16,428	16,428	16,428	16,428	16,428	16,428	16,428	16,428	16,428	16,428	16,428	16,423	197,131
	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,764</u>	<u>\$1,685,756</u>	<u>\$20,229,160</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
Rate 45	873,230	873,230	932,510	932,510	932,510	932,510	881,170	881,170	881,170	881,170	881,170	881,167	10,763,517
MISO	417,193	417,193	417,193	417,193	417,193	417,193	417,193	417,193	417,193	417,193	417,193	417,172	5,006,295
SPP	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	1,167,953	14,015,414
	<u>\$2,478,707</u>	<u>\$2,478,707</u>	<u>\$2,537,987</u>	<u>\$2,537,987</u>	<u>\$2,537,987</u>	<u>\$2,537,987</u>	<u>\$2,486,647</u>	<u>\$2,486,647</u>	<u>\$2,486,647</u>	<u>\$2,486,647</u>	<u>\$2,486,647</u>	<u>\$2,486,629</u>	<u>\$30,029,226</u>
Allocated to ND 1/	1,742,346	1,742,346	1,784,016	1,784,016	1,784,016	1,784,016	1,747,927	1,747,927	1,747,927	1,747,927	1,747,927	1,747,915	21,108,306
Total Company Charges													
MISO	\$1,045,479	\$1,021,245	\$996,499	\$1,003,057	\$1,040,539	\$1,096,023	\$1,041,164	\$1,007,957	\$993,983	\$921,124	\$917,878	\$935,483	\$12,020,431
SPP	1,685,764	1,685,764	1,685,764	1,685,764	1,685,764	1,685,764	1,685,764	1,685,764	1,685,764	1,685,764	1,685,764	1,685,756	20,229,160
	<u>\$2,731,243</u>	<u>\$2,707,009</u>	<u>\$2,682,263</u>	<u>\$2,688,821</u>	<u>\$2,726,303</u>	<u>\$2,781,787</u>	<u>\$2,726,928</u>	<u>\$2,693,721</u>	<u>\$2,679,747</u>	<u>\$2,606,888</u>	<u>\$2,603,642</u>	<u>\$2,621,239</u>	<u>\$32,249,591</u>
Allocated to ND 1/	1,919,860	1,902,825	1,885,431	1,890,041	1,916,388	1,955,389	1,916,827	1,893,485	1,883,662	1,832,448	1,830,166	1,842,535	22,669,057
Net ND Expense	<u>\$177,514</u>	<u>\$160,479</u>	<u>\$101,415</u>	<u>\$106,025</u>	<u>\$132,372</u>	<u>\$171,373</u>	<u>\$168,900</u>	<u>\$145,558</u>	<u>\$135,735</u>	<u>\$84,521</u>	<u>\$82,239</u>	<u>\$94,620</u>	<u>\$1,560,751</u>

1/ Allocated to ND on Factor 15 Integrated System 12 Month Peak Demand: 70.292541%

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

	Projected						Average Balance
	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024	
Rate Base							
Plant Balance:	\$59,819,362	\$59,819,362	\$59,819,362	\$59,819,362	\$59,819,362	\$59,819,362	
Accumulated Reserve	2,114,921	2,178,347	2,241,773	2,305,199	2,368,625	2,432,051	
Net Plant in Service	\$57,704,441	\$57,641,015	\$57,577,589	\$57,514,163	\$57,450,737	\$57,387,311	\$57,545,876
Accum Def Income Taxes	\$2,142,036	\$2,191,325	\$2,235,639	\$2,275,136	\$2,309,652	\$2,339,350	
Total Plant in Service	\$55,562,405	\$55,449,690	\$55,341,950	\$55,239,027	\$55,141,085	\$55,047,961	\$55,297,020
Return on Rate Base	\$330,226	\$329,556	\$328,915	\$328,304	\$327,722	\$327,168	\$1,971,891
Expenses							
Operating Expenses							Year to Date
Depreciation	63,426	63,426	63,426	63,426	63,426	63,426	380,556
Property Tax	32,225	32,225	32,225	32,225	32,225	32,225	193,350
Total Expenses	\$95,651	\$95,651	\$95,651	\$95,651	\$95,651	\$95,651	\$573,906
Income before Taxes (EBIT)	(\$95,651)	(\$95,651)	(\$95,651)	(\$95,651)	(\$95,651)	(\$95,651)	(\$573,906)
Interest Expense	100,845	100,642	100,445	100,258	100,081	99,912	602,183
Taxable income	(\$196,496)	(\$196,293)	(\$196,096)	(\$195,909)	(\$195,732)	(\$195,563)	(\$1,176,089)
Income Taxes	(\$47,954)	(\$47,905)	(\$47,857)	(\$47,811)	(\$47,769)	(\$47,727)	(\$287,023)
Operating Income	(\$47,697)	(\$47,746)	(\$47,794)	(\$47,840)	(\$47,882)	(\$47,924)	(\$286,883)
Revenue Requirement - 2024	\$499,930	\$499,109	\$498,324	\$497,577	\$496,862	\$496,186	\$2,987,988
Approved Projects - July - December 2023 Revenue Requirement:							\$2,891,046
Proposed Projects - 2023 Revenue Requirement:							\$97,079
Total Projected Revenue Requirement:							\$5,976,113

Projected Revenue Requirement from Approved Projects:

Approved Projects - July - December 2023 Revenue Requirement:	\$2,891,046
Approved Projects - January - June 2024 Revenue Requirement:	<u>2,854,189</u>
	\$5,745,235

Projected Revenue Requirement from Proposed Projects:

Proposed Projects - 2023 Revenue Requirement:	\$97,079
Proposed Projects - January - June 2024 Revenue Requirement:	<u>133,799</u>
	\$230,878

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

Rate Base	Actual					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	
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	385,042	774,442	774,442	774,442	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446
Richland	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719
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	14,761,297	14,890,696	14,891,326	14,903,007	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863
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	2,183,099	2,180,666	2,180,666	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551
April Storm Repair	2,008,141	2,010,201	2,027,132	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320
Total Plant Balance	\$56,579,059	\$57,097,485	\$57,115,046	\$57,131,804	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660
Accumulated Reserve:													
Bowdle	\$132,556	\$135,577	\$138,598	\$141,619	\$144,640	\$147,661	\$149,119	\$150,578	\$152,036	\$153,494	\$154,953	\$156,411	\$156,411
Leola	82,862	86,132	89,402	92,672	95,942	99,211	100,723	102,234	103,745	105,256	106,767	108,278	108,278
Dickinson	424,031	437,468	450,905	464,343	477,780	491,217	503,001	514,784	526,568	538,352	550,135	561,919	561,919
Watford City	777,629	802,162	826,695	851,228	875,760	900,293	919,211	938,129	957,047	975,965	994,883	1,013,801	1,013,801
Lightning Protection	17,826	18,319	19,310	20,302	21,293	22,284	23,221	24,158	25,095	26,033	26,970	27,907	27,907
Richland	84,960	89,690	94,419	99,149	103,879	108,609	111,132	113,654	116,177	118,699	121,222	123,745	123,745
Crosby	61,714	63,714	65,714	67,714	69,714	71,714	73,607	75,500	77,394	79,287	81,180	83,073	83,073
Bismarck	34,025	35,395	36,764	38,133	39,503	40,872	41,505	42,138	42,770	43,403	44,036	44,669	44,669
Mandan	169,015	190,071	211,345	232,620	253,915	275,219	288,658	302,098	315,538	328,978	342,418	355,857	355,857
Mobile Sub	67,064	70,593	74,123	77,653	81,182	84,712	86,343	87,974	89,606	91,237	92,868	94,499	94,499
Tioga	19,055	22,744	26,430	30,115	33,805	37,495	40,989	44,483	47,976	51,470	54,964	58,457	58,457
April Storm - Reserve	23,494	26,888	30,285	33,711	37,141	40,570	43,817	47,064	50,311	53,558	56,805	60,052	60,052
April Storm - Retirement	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)
Total Accumulated Reserve	\$1,312,656	\$1,397,178	\$1,482,415	\$1,567,684	\$1,652,979	\$1,738,282	\$1,799,751	\$1,861,219	\$1,922,688	\$1,984,157	\$2,045,626	\$2,107,093	\$1,739,310
Net Plant in Service	\$55,266,403	\$55,700,307	\$55,632,631	\$55,564,120	\$55,484,681	\$55,399,378	\$55,337,909	\$55,276,441	\$55,214,972	\$55,153,503	\$55,092,034	\$55,030,567	\$55,346,079
Accum Def Income Taxes 1/	\$1,429,818	\$1,478,037	\$1,521,388	\$1,560,027	\$1,593,793	\$1,622,847	\$1,647,034	\$1,666,354	\$1,680,961	\$1,690,701	\$1,695,729	\$1,695,884	
Total Rate Base	\$53,836,585	\$54,222,270	\$54,111,243	\$54,004,093	\$53,890,888	\$53,776,531	\$53,690,875	\$53,610,087	\$53,534,011	\$53,462,802	\$53,396,305	\$53,334,683	\$53,739,198
Return on Rate Base 2/	\$330,377	\$332,744	\$332,063	\$331,405	\$330,710	\$330,009	\$319,103	\$318,623	\$318,170	\$317,747	\$317,352	\$316,986	\$3,895,289
Expenses													
Operating Expenses													Year End
Depreciation:													
Bowdle	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$3,021	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458
Leola	3,270	3,270	3,270	3,270	3,270	3,270	1,511	1,511	1,511	1,511	1,511	1,511	1,511
Dickinson	13,437	13,437	13,437	13,437	13,437	13,437	11,784	11,784	11,784	11,784	11,784	11,784	11,784
Watford City	24,533	24,533	24,533	24,533	24,533	24,533	18,918	18,918	18,918	18,918	18,918	18,918	18,918
Lightning Protection	493	493	991	991	991	991	937	937	937	937	937	937	937
Richland	4,729	4,730	4,730	4,730	4,730	4,730	2,523	2,523	2,523	2,523	2,523	2,523	2,523
Crosby	2,000	2,000	2,000	2,000	2,000	2,000	1,893	1,893	1,893	1,893	1,893	1,893	1,893
Bismarck	1,369	1,369	1,369	1,369	1,369	1,369	633	633	633	633	633	633	633
Mandan	20,575	21,055	21,274	21,275	21,295	21,304	13,440	13,440	13,440	13,440	13,440	13,440	13,440
Mobile Sub	3,530	3,530	3,530	3,530	3,530	3,530	1,631	1,631	1,631	1,631	1,631	1,631	1,631
Tioga	3,752	3,689	3,685	3,685	3,690	3,690	3,494	3,494	3,494	3,494	3,494	3,494	3,494
April Storm Repair	3,410	3,394	3,397	3,426	3,430	3,430	3,247	3,247	3,247	3,247	3,247	3,247	3,247
Total Depreciation	\$84,119	\$84,521	\$85,237	\$85,267	\$85,296	\$85,305	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$878,559
Property Tax 3/	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,067	372,782
Total Expenses	\$115,184	\$115,586	\$116,302	\$116,332	\$116,361	\$116,370	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,536	\$1,251,341
Income before Taxes (EBIT)	(\$115,184)	(\$115,586)	(\$116,302)	(\$116,332)	(\$116,361)	(\$116,370)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,536)	(\$1,251,341)
Interest Expense	105,609	106,366	106,148	105,938	105,716	105,492	97,449	97,302	97,164	97,035	96,914	96,802	1,217,935
Taxable Income	(\$220,793)	(\$221,952)	(\$222,450)	(\$222,270)	(\$222,077)	(\$221,862)	(\$189,983)	(\$189,836)	(\$189,698)	(\$189,569)	(\$189,448)	(\$189,338)	(\$2,469,276)
Income Taxes 4/	(\$53,884)	(\$54,167)	(\$54,289)	(\$54,245)	(\$54,198)	(\$54,145)	(\$46,365)	(\$46,329)	(\$46,296)	(\$46,264)	(\$46,235)	(\$46,208)	(\$602,625)
Operating Income	(\$61,300)	(\$61,419)	(\$62,013)	(\$62,087)	(\$62,163)	(\$62,225)	(\$46,169)	(\$46,205)	(\$46,238)	(\$46,270)	(\$46,299)	(\$46,328)	(\$648,716)
Revenue Requirement	\$518,125	\$521,413	\$521,298	\$520,526	\$519,707	\$518,862	\$483,195	\$482,608	\$482,052	\$481,535	\$481,051	\$480,605	\$6,010,977

Note: Footnotes outlined on Exhibit 4, page 3.

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

Factor 15-Integrated Sys. 12 2023
Month Peak Demand 71.009009%

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:		\$687,941			
Monthly:		57,328			
<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
91.78%	84.11%	75.62%	67.40%	58.90%	50.68%
52,616	48,219	43,351	38,639	33,766	29,054
<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
24,187	19,320	14,607	9,740	5,028	155

2/ Authorized capital structure with authorized return on equity from Case No. PU-16-666 for January - June 2023.

	<u>Ratio</u>	<u>Cost</u>		
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%	

Authorized capital structure with authorized return on equity from Case No. PU-22-194 effective July 2023.

	<u>Ratio</u>	<u>Cost</u>		
Long Term Debt	44.587%	4.503%	2.008%	
Short Term Debt	4.603%	3.684%	0.170%	2.178%
Common Equity	<u>50.810%</u>	<u>9.750%</u>	<u>4.954%</u>	
	100.000%		7.132%	

3/ Property tax:

2023 Projected Allocated Property Tax:	\$309,558
ND Factor #15:	<u>71.009009%</u>
ND Allocated Property Tax:	\$219,814
2023 Projected ND Direct Property Tax:	<u>152,968</u>
Total 2023 Projected ND Property Tax:	\$372,782
Monthly:	\$31,065

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 2024**

Rate Base	Projected												Average Balance
	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024	July 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024	Dec 2024	
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	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446	774,446
Richland	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719	3,599,719
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	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863	14,908,863
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	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551	2,183,551
April Storm Repair	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320	2,029,320
Total Plant Balance	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660	\$57,137,660
Accumulated Reserve:													
Bowdle	\$156,411	\$157,869	\$159,327	\$160,785	\$162,243	\$163,701	\$165,159	\$166,617	\$168,075	\$169,533	\$170,991	\$172,449	\$172,449
Leola	108,278	109,789	111,300	112,811	114,322	115,833	117,344	118,855	120,366	121,877	123,388	124,899	124,899
Dickinson	561,919	573,703	585,487	597,271	609,055	620,839	632,623	644,407	656,191	667,975	679,759	691,543	691,543
Watford City	1,013,801	1,032,719	1,051,637	1,070,555	1,089,473	1,108,391	1,127,309	1,146,227	1,165,145	1,184,063	1,202,981	1,221,899	1,221,899
Lightning Protection	27,907	28,844	29,781	30,718	31,655	32,592	33,529	34,466	35,403	36,340	37,277	38,214	38,214
Richland	123,745	126,268	128,791	131,314	133,837	136,360	138,883	141,406	143,929	146,452	148,975	151,498	151,498
Crosby	83,073	84,966	86,859	88,752	90,645	92,538	94,431	96,324	98,217	100,110	102,003	103,896	103,896
Bismarck	44,669	45,302	45,935	46,568	47,201	47,834	48,467	49,100	49,733	50,366	50,999	51,632	51,632
Mandan	355,857	369,297	382,737	396,177	409,617	423,057	436,497	449,937	463,377	476,817	490,257	503,697	503,697
Mobile Sub	94,499	96,130	97,761	99,392	101,023	102,654	104,285	105,916	107,547	109,178	110,809	112,440	112,440
Tioga	58,457	61,951	65,445	68,939	72,433	75,927	79,421	82,915	86,409	89,903	93,397	96,891	96,891
April Storm - Reserve	60,052	63,299	66,546	69,793	73,040	76,287	79,534	82,781	86,028	89,275	92,522	95,769	95,769
April Storm - Retirement	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)	(581,575)
Total Accumulated Reserve	\$2,107,093	\$2,168,562	\$2,230,031	\$2,291,500	\$2,352,969	\$2,414,438	\$2,475,907	\$2,537,376	\$2,598,845	\$2,660,314	\$2,721,783	\$2,783,252	\$2,445,172
Net Plant in Service	\$55,030,567	\$54,969,098	\$54,907,629	\$54,846,160	\$54,784,691	\$54,723,222	\$54,661,753	\$54,600,284	\$54,538,815	\$54,477,346	\$54,415,877	\$54,354,408	\$54,692,488
Accum Def Income Taxes 1/	\$2,115,751	\$2,162,130	\$2,203,828	\$2,240,993	\$2,273,471	\$2,301,416	\$2,324,680	\$2,343,263	\$2,357,313	\$2,366,681	\$2,371,517	\$2,371,666	\$2,371,666
Total Rate Base	\$52,914,816	\$52,806,968	\$52,703,801	\$52,605,167	\$52,511,220	\$52,421,806	\$52,337,073	\$52,257,021	\$52,181,502	\$52,110,665	\$52,044,360	\$51,982,742	\$52,406,429
Return on Rate Base 2/	\$314,490	\$313,849	\$313,236	\$312,650	\$312,092	\$311,560	\$311,057	\$310,581	\$310,132	\$309,711	\$309,317	\$308,951	\$3,737,626
Expenses													
Operating Expenses													Year End
Depreciation:													
Bowdle	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458
Leola	1,511	1,511	1,511	1,511	1,511	1,511	1,511	1,511	1,511	1,511	1,511	1,511	1,511
Dickinson	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784
Watford City	18,918	18,918	18,918	18,918	18,918	18,918	18,918	18,918	18,918	18,918	18,918	18,918	18,918
Lightning Protection	937	937	937	937	937	937	937	937	937	937	937	937	937
Richland	2,523	2,523	2,523	2,523	2,523	2,523	2,523	2,523	2,523	2,523	2,523	2,523	2,523
Crosby	1,893	1,893	1,893	1,893	1,893	1,893	1,893	1,893	1,893	1,893	1,893	1,893	1,893
Bismarck	633	633	633	633	633	633	633	633	633	633	633	633	633
Mandan	13,440	13,440	13,440	13,440	13,440	13,440	13,440	13,440	13,440	13,440	13,440	13,440	13,440
Mobile Sub	1,631	1,631	1,631	1,631	1,631	1,631	1,631	1,631	1,631	1,631	1,631	1,631	1,631
Tioga	3,494	3,494	3,494	3,494	3,494	3,494	3,494	3,494	3,494	3,494	3,494	3,494	3,494
April Storm Repair	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247
Total Depreciation	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$61,469	\$737,628
Property Tax 3/	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	31,065	372,782
Total Expenses	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,534	\$92,536	\$1,110,410
Income before Taxes (EBIT)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,534)	(\$92,536)	(\$1,110,410)
Interest Expense	96,040	95,845	95,657	95,478	95,308	95,146	94,992	94,846	94,709	94,581	94,461	94,349	1,141,412
Taxable income	(\$188,574)	(\$188,379)	(\$188,191)	(\$188,012)	(\$187,842)	(\$187,680)	(\$187,526)	(\$187,380)	(\$187,243)	(\$187,115)	(\$186,995)	(\$186,885)	(\$2,251,822)
Income Taxes 4/	(\$46,021)	(\$45,974)	(\$45,928)	(\$45,884)	(\$45,843)	(\$45,803)	(\$45,766)	(\$45,730)	(\$45,696)	(\$45,665)	(\$45,636)	(\$45,609)	(\$549,555)
Operating Income	(\$46,513)	(\$46,560)	(\$46,606)	(\$46,650)	(\$46,691)	(\$46,731)	(\$46,768)	(\$46,804)	(\$46,838)	(\$46,869)	(\$46,898)	(\$46,927)	(\$560,855)
Revenue Requirement	\$477,548	\$476,762	\$476,012	\$475,295	\$474,611	\$473,961	\$473,344	\$472,762	\$472,213	\$471,697	\$471,214	\$470,769	\$5,686,188

Note: Footnotes outlined on Exhibit 4, page 5.

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Recovery Rider
Revenue Requirement - Approved Projects
Projected Year End 2024**

Factor 15-Integrated Sys. 12 2023
Month Peak Demand 71.009009%

1/ Monthly Deferred Income Tax activity is 1/12 of projected 2024 DIT activity. Monthly activity prorated based on DIT proration methodology.

Projected ND DIT activity 2024:		\$661,692				
Monthly:		55,141 (7 months)				
January	February	March	April	May	June	
91.78%	84.11%	75.62%	67.40%	58.90%	50.68%	
50,608	46,379	41,698	37,165	32,478	27,945	
July	August	September	October	November	December	
42.19%	33.70%	25.48%	16.99%	8.77%	0.27%	
23,264	18,583	14,050	9,368	4,836	149	

2/ Authorized capital structure with authorized return on equity from Case No. PU-22-194 effective July 2023.

	Ratio	Cost		
Long Term Debt	44.587%	4.503%	2.008%	
Short Term Debt	4.603%	3.684%	0.170%	2.178%
Common Equity	50.810%	9.750%	4.954%	
	100.000%		7.132%	

3/ Property tax:

2024 Projected Allocated Property Tax:	\$309,558
ND Factor #15:	<u>71.009009%</u>
ND Allocated Property Tax:	\$219,814
2024 Projected ND Direct Property Tax:	<u>152,968</u>
Total 2024 Projected ND Property Tax:	\$372,782
Monthly:	\$31,065

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 - Proposed Tioga Projects
Projected Year End 2023**

	Projected												Average
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	July 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	Balance
Rate Base													
Plant Balance:													
115kV Ring Addition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	
Relocate Neset Line	0	0	0	0	0	0	0	0	220,763	220,763	220,763	220,763	
Total Plant:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$893,901
Accumulated Reserve:													
115kV Ring Addition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,497	\$2,994	\$4,491	
Relocate Neset Line	0	0	0	0	0	0	0	0	0	460	920	1,380	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,957	\$3,914	\$5,871	\$979
Net Plant in Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,681,702	\$2,679,745	\$2,677,788	\$2,675,831	\$892,922
Accum Def Income Taxes 1/	\$1,768	\$3,388	\$4,844	\$6,142	\$7,276	\$8,252	\$9,065	\$9,714	\$10,205	\$10,532	\$10,701	\$10,706	
Total Rate Base	(\$1,768)	(\$3,388)	(\$4,844)	(\$6,142)	(\$7,276)	(\$8,252)	(\$9,065)	(\$9,714)	\$2,671,497	\$2,669,213	\$2,667,087	\$2,665,125	\$885,206
Return on Rate Base 2/	(\$11)	(\$20)	(\$29)	(\$37)	(\$43)	(\$49)	(\$54)	(\$58)	\$15,878	\$15,864	\$15,851	\$15,840	\$63,132
Expenses													
Operating Expenses:													Year End
Depreciation Expense													
115kV Ring Addition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,497	\$1,497	\$1,497	
Relocate Neset Line	0	0	0	0	0	0	0	0	0	460	460	460	
Total Depreciation Expense:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,957	\$1,957	\$1,957	\$5,871
Property Tax 3/	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,158	13,918
Total Expenses	\$1,160	\$1,160	\$1,160	\$1,160	\$1,160	\$1,160	\$1,160	\$1,160	\$1,160	\$3,117	\$3,117	\$3,115	\$19,789
Income before Taxes (EBIT)	(\$1,160)	(\$1,160)	(\$1,160)	(\$1,160)	(\$1,160)	(\$1,160)	(\$1,160)	(\$1,160)	(\$1,160)	(\$3,117)	(\$3,117)	(\$3,115)	(\$19,789)
Interest Expense	(3)	(6)	(9)	(11)	(13)	(15)	(16)	(18)	4,849	4,845	4,841	4,837	19,281
Taxable income	(\$1,157)	(\$1,154)	(\$1,151)	(\$1,149)	(\$1,147)	(\$1,145)	(\$1,144)	(\$1,142)	(\$6,009)	(\$7,962)	(\$7,958)	(\$7,952)	(\$39,070)
Income Taxes 4/	(\$282)	(\$282)	(\$281)	(\$280)	(\$280)	(\$279)	(\$279)	(\$279)	(\$1,466)	(\$1,943)	(\$1,942)	(\$1,941)	(\$9,534)
Operating Income	(\$878)	(\$878)	(\$879)	(\$880)	(\$880)	(\$881)	(\$881)	(\$881)	\$306	(\$1,174)	(\$1,175)	(\$1,174)	(\$10,255)
Revenue Requirement	\$1,147	\$1,135	\$1,124	\$1,115	\$1,107	\$1,101	\$1,094	\$1,089	\$20,599	\$22,538	\$22,523	\$22,507	\$97,079

Note: Proposed plant additions are outlined on Exhibit 4, pages 8-10.

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: \$23,110
Monthly: \$1,926

	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%
	1,768	1,620	1,456	1,298	1,134	976	813	649	491	327	169	5

2/ Authorized capital structure with authorized return on equity from Case No. PU-22-194 effective July 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%	9.750%	4.954%
	100.000%		7.132%

3/ Property tax:

2023 Projected Allocated Property Tax: \$19,600
ND Factor #15: 71.009009%
ND Allocated Property Tax: \$13,918
Monthly: \$1,160

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 - Proposed Tioga Projects
Projected Year End 2024**

	Projected												Average Balance
	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024	July 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024	Dec 2024	
Rate Base													
Plant Balance:													
115kV Ring Addition	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939	\$2,460,939
Relocate Neset Line	220,763	220,763	220,763	220,763	220,763	220,763	220,763	220,763	220,763	220,763	220,763	220,763	220,763
Total Plant:	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702	\$2,681,702
Accumulated Reserve:													
115kV Ring Addition	\$5,988	\$7,485	\$8,982	\$10,479	\$11,976	\$13,473	\$14,970	\$16,467	\$17,964	\$19,461	\$20,958	\$22,455	
Relocate Neset Line	1,840	2,300	2,760	3,220	3,680	4,140	4,600	5,060	5,520	5,980	6,440	6,900	
	\$7,828	\$9,785	\$11,742	\$13,699	\$15,656	\$17,613	\$19,570	\$21,527	\$23,484	\$25,441	\$27,398	\$29,355	\$18,592
Net Plant in Service	\$2,673,874	\$2,671,917	\$2,669,960	\$2,668,003	\$2,666,046	\$2,664,089	\$2,662,132	\$2,660,175	\$2,658,218	\$2,656,261	\$2,654,304	\$2,652,347	\$2,663,111
Accum Def Income Taxes 1/	\$26,285	\$29,195	\$31,811	\$34,143	\$36,181	\$37,934	\$39,394	\$40,560	\$41,442	\$42,030	\$42,333	\$42,342	
Total Rate Base	\$2,647,589	\$2,642,722	\$2,638,149	\$2,633,860	\$2,629,865	\$2,626,155	\$2,622,738	\$2,619,615	\$2,616,776	\$2,614,231	\$2,611,971	\$2,610,005	\$2,626,140
Return on Rate Base 2/	\$15,736	\$15,707	\$15,679	\$15,654	\$15,630	\$15,608	\$15,588	\$15,569	\$15,552	\$15,537	\$15,524	\$15,512	\$187,296
Expenses													
Operating Expenses:													Year End
Depreciation Expense													
115kV Ring Addition	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	\$1,497	
Relocate Neset Line	460	460	460	460	460	460	460	460	460	460	460	460	
Total Depreciation Expense:	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$1,957	\$23,484
Property Tax 3/	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,160	1,158	13,918
Total Expenses	\$3,117	\$3,117	\$3,117	\$3,117	\$3,117	\$3,117	\$3,117	\$3,117	\$3,117	\$3,117	\$3,117	\$3,115	\$37,402
Income before Taxes (EBIT)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,117)	(\$3,115)	(\$37,402)
Interest Expense	4,805	4,797	4,788	4,780	4,773	4,766	4,760	4,755	4,749	4,745	4,741	4,737	57,196
Taxable income	(\$7,922)	(\$7,914)	(\$7,905)	(\$7,897)	(\$7,890)	(\$7,883)	(\$7,877)	(\$7,872)	(\$7,866)	(\$7,862)	(\$7,858)	(\$7,852)	(\$94,598)
Income Taxes 4/	(\$1,933)	(\$1,931)	(\$1,929)	(\$1,927)	(\$1,926)	(\$1,924)	(\$1,922)	(\$1,921)	(\$1,920)	(\$1,919)	(\$1,918)	(\$1,916)	(\$23,086)
Operating Income	(\$1,184)	(\$1,186)	(\$1,188)	(\$1,190)	(\$1,191)	(\$1,193)	(\$1,195)	(\$1,196)	(\$1,197)	(\$1,198)	(\$1,199)	(\$1,199)	(\$14,316)
Revenue Requirement	\$22,382	\$22,347	\$22,312	\$22,282	\$22,251	\$22,225	\$22,201	\$22,177	\$22,156	\$22,138	\$22,122	\$22,106	\$266,699

Note: Proposed plant additions are outlined on Exhibit 4, pages 8-10.

1/ Monthly Deferred Income Tax activity is 1/12 of projected 2024 DIT activity. Monthly activity prorated based on DIT proration methodology.

Projected ND DIT activity 2024: \$41,515
Monthly: \$3,460

	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%
	3,175	2,910	2,616	2,332	2,038	1,753	1,460	1,166	882	588	303	9

2/ Authorized capital structure with authorized return on equity from Case No. PU-22-194 effective July 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%	9.750%	4.954%
	100.000%		7.132%

3/ Property tax:

2024 Projected Allocated Property Tax: \$19,600
ND Factor #15: 71.009009%
ND Allocated Property Tax: \$13,918
Monthly: \$1,160

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 - Tioga Substation Addition and Line Reroute
Proposed Projects**

Plant in Service, estimated in service date September 2023.
Depreciation expense starts October 2023.
Integrated System project

Factor 15-Integrated Sys. 12	2023
Month Peak Demand	71.009009%

Plant:

Tioga Sub #2 - 115kV Ring Addition:	\$3,465,672
ND Factor #15:	71.009009%
ND Allocated:	\$2,460,939

Depreciation:

115kV Ring Addition plant (ND alloc):	\$2,460,939
Depreciation Rate:	0.73%
Annual Depreciation:	\$17,965
Monthly Depreciation:	\$1,497

Relocate Neset Line to Sub #2:	\$310,894
ND Factor #15:	71.009009%
ND Allocated:	\$220,763

Relocate Neset Line plant (ND alloc):	\$220,763
Depreciation Rate:	2.50%
Annual Depreciation:	\$5,519
Monthly Depreciation:	\$460

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

	2023	2024
Year end plant balance:	\$2,681,702	\$2,681,702
Tax Depreciation Rate:	3.750%	7.219%
Tax Depreciation:	100,564	193,592
Book Depreciation:	5,871	23,484
Remainder:	94,693	170,108
Income Tax Rate:	24.4049%	24.4049%
Deferred Income Tax:	\$23,110	\$41,515

Property Tax:

Year End Plant Balance:	\$3,776,566
Effective Rate:	0.519% (Ad Valorem - Transmission)
Property Tax:	\$19,600

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Tioga Substation Addition and Line Reroute
Project Details**

Project Description: This project involves constructing a 115 kV ring bus addition at the Tioga 2 Transmission substation near Tioga, North Dakota. This addition will allow the retirement of the Tioga 1 Transmission substation due to age and condition of the substation. The project will require the relocation of the existing 115 kV Neset Transmission line to connect with the Tioga 2 substation. This transmission line is owned by Basin Electric Power Cooperative (BEPC), so BEPC will perform the work and Montana-Dakota is required to reimburse BEPC for the re-routing of the line.

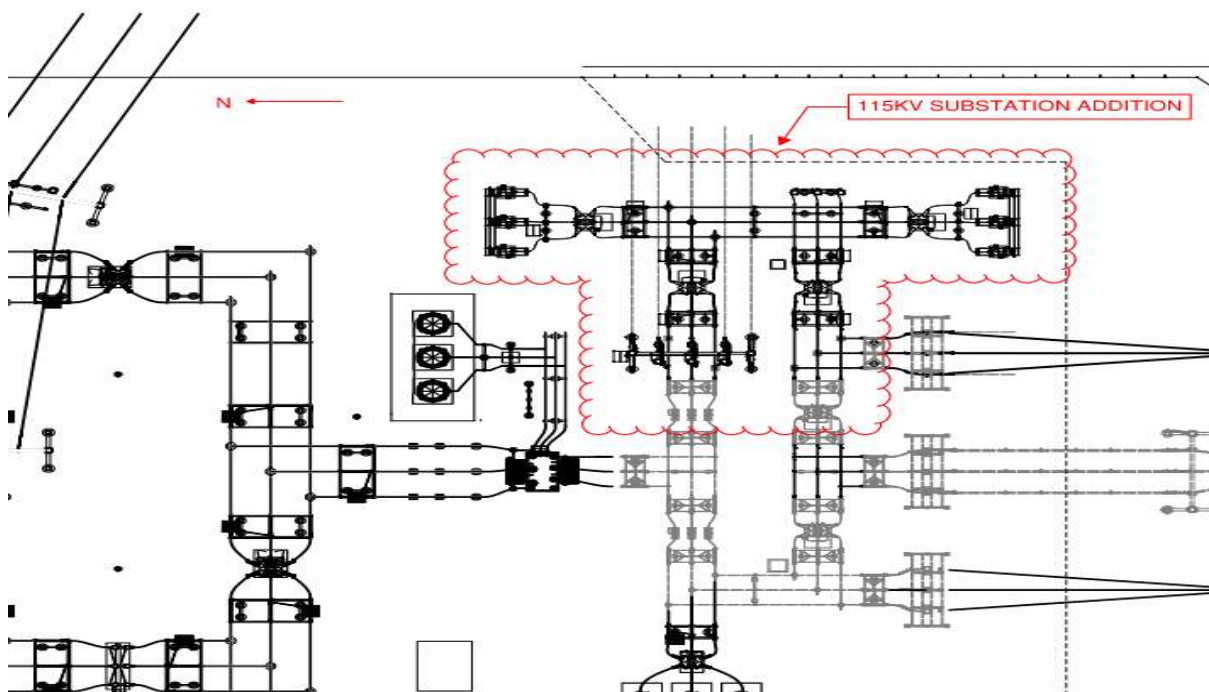
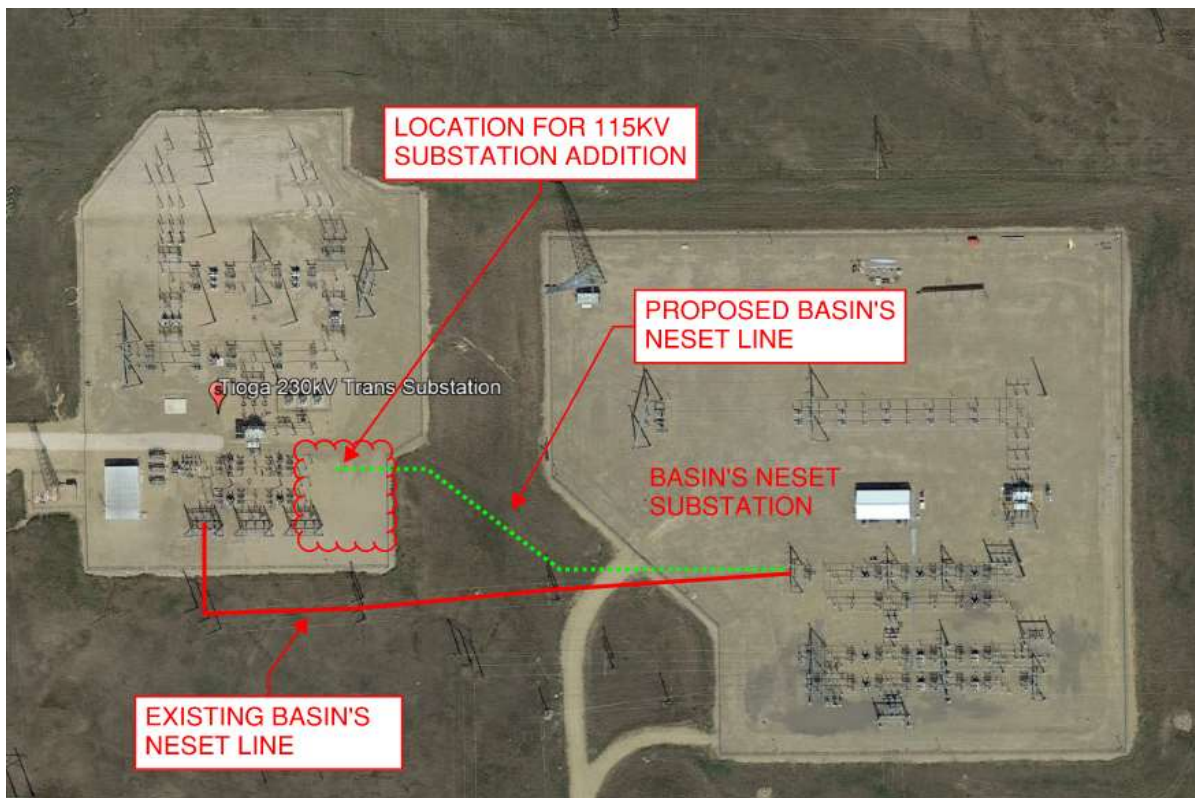
Alternatives: The Company reviewed the probability of repairing and replacing a significant amount of equipment and structures to the Tioga 1 Substation. Due to the amount of upgrades and replacements in the equipment that would be required to be replaced, as well as the condition of the control house showing signs of significant deterioration, this option was determined to be cost prohibitive.

Estimated Project Costs:

Tioga 2 Transmission Substation - 115kV Addition	
Category	Total Costs
Consultant	\$90,000
General Contractor Labor	\$337,950
Concrete Contractor Labor + Material (concrete and rebar)	\$216,504
Substation Misc. Equipment - Bus & Fittings - Grounding Material - Control Cable Conduit - Steel & Switches - Etc.	\$1,166,863
Major Equipment - Capacitor Banks - Instrument Transformers - Power Circuit Breakers	\$1,100,550
Site Grading	\$113,154
MDU Internal Costs	\$175,000
ES&GA	\$265,651
Total:	\$3,465,672

Neset Transmission Line	
Category	Total Costs
Pole/Hardware Cost	\$150,000
Demolition of Ex. Line	\$50,000
Direct Labor (Eng. Time)	\$30,000
Contractor Cost (New Line Const)	\$78,119
Overhead GA	\$2,775
Total:	\$310,894

Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Rider
Revenue Requirement - Tioga Substation Addition and Line Reroute
Project Details



**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 2022				(\$1,546,350) 5/	-	(\$1,546,350)			(\$1,546,350) 5/
June	(1,546,350)	1,063,717	814,117	(1,795,950)	-	(1,795,950)	1.4900%	(1,920)	(1,797,870)
July	(1,795,950)	1,133,691	1,151,113	(1,778,528)	-	(1,778,528)	2.2300%	(3,337)	(1,783,785)
August	(1,778,528)	1,390,112	1,281,604	(1,887,036)	-	(1,887,036)	2.6300%	(3,898)	(1,896,191)
September	(1,887,036)	1,242,529	1,089,207	(2,040,358)	-	(2,040,358)	3.1300%	(4,922)	(2,054,435)
October	(2,040,358)	1,021,256	1,249,831	(1,811,783)	-	(1,811,783)	3.7200%	(6,325)	(1,832,185)
November	(1,811,783)	1,005,173	1,184,598	(1,632,358)	-	(1,632,358)	4.1500%	(6,266)	(1,659,026)
December	(1,632,358)	1,297,555	1,053,916	(1,875,997)	-	(1,875,997)	4.2500%	(5,781)	(1,908,446)
January 2023	(1,875,997)	1,410,484	1,146,521	(2,139,960)	-	(2,139,960)	4.5400%	(7,098)	(2,179,507)
February	(2,139,960)	1,141,833	765,499	(2,516,294)	-	(2,516,294)	4.6500%	(8,292)	(2,564,133)
March	(2,516,294)	1,343,611	928,055	(2,931,850)	-	(2,931,850)	4.6900%	(9,835)	(2,989,524)
April	(2,931,850)	1,073,085	977,208	(3,027,727)	-	(3,027,727)	4.9200%	(12,021)	(3,097,422)
May	(3,027,727)	968,269	772,623	(3,223,373)	-	(3,223,373)	5.1400%	(12,969)	(3,306,037)
June - Est.	(3,223,373)	938,257	680,728	(3,480,902)	-	(3,480,902)	5.1400%	(13,807)	(3,577,373)
July - Est.	(3,480,902)	999,635	660,709	(3,819,828)	-	(3,819,828)	5.1400%	(14,910)	(3,931,209)
August - Est.	(3,819,828)	1,225,626	643,087	(4,402,367)	-	(4,402,367)	5.1400%	(16,362)	(4,530,110)
September - Est.	(4,402,367)	1,095,720	612,978	(4,885,109)	-	(4,885,109)	5.1400%	(18,857)	(5,031,709)
October - Est.	(4,885,109)	900,953	610,098	(5,175,964)	-	(5,175,964)	5.1400%	(20,925)	(5,343,489)
Total		\$19,251,506	\$15,621,892					(\$167,525)	

1/ Revenue collected on actual sales volume through May 2023 at the approved rates authorized in Case No. PU-21-335, and updated rates effective November 1, 2022 authorized in Case No. PU-22-323.

2/ Total revenue requirement:

	MISO/SPP Revenue Requirement	Assets Revenue Requirement	Total Revenue Requirement
June 2022	\$340,478	\$473,639	\$814,117
July	688,432	462,681	1,151,113
August	791,948	489,656	1,281,604
September	672,568	416,639	1,089,207
October	707,116	542,715	1,249,831
November	664,965	519,633	1,184,598
December	540,467	513,449	1,053,916
January 2023	628,396	518,125	1,146,521
February	244,086	521,413	765,499
March	406,757	521,298	928,055
April	456,682	520,526	977,208
May	252,916	519,707	772,623
June - Est.	161,866	518,862	680,728
July - Est.	177,514	483,195	660,709
August - Est.	160,479	482,608	643,087
September - Est.	101,415	511,563	612,978
October - Est.	106,025	504,073	610,098
Total	\$7,102,110	\$8,519,782	\$15,621,892

3/ (Over)/Under collection on revenue requirement not including the carrying charge except for May 2022, 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, 2022 per Docket No. PU-22-323, 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, 2023

	Per Books											Projected	Total
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	
Facility Sharing Agreement Rate 45	\$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
	0	0	0	0	0	0	0	0	0	0	330,920	460,525	791,445
	\$20,333	\$20,333	\$20,333	\$20,333	\$20,333	\$20,337	\$20,333	\$20,333	\$20,333	\$20,333	\$351,253	\$480,858	\$1,035,445
MISO													
Revenue/Credits													
Schedule 1	\$10,908	\$9,006	\$9,417	\$8,147	\$9,805	\$14,531	\$12,580	\$12,147	\$12,331	\$11,810	\$10,862	\$10,862	\$132,406
Schedule 2 1/	21,313	10,496	16,344	19,697	20,345	33,085	27,302	(30,173)	(127)	(28,791)	1,925	1,925	93,341
Schedule 7	66,184	68,551	48,192	57,843	51,152	71,935	82,880	74,103	71,563	68,885	72,147	72,147	805,582
Schedule 8	25,495	29,080	21,800	26,119	36,373	32,785	22,540	30,913	13,415	22,681	15,988	15,988	293,177
Schedule 9	401,617	271,285	341,005	237,682	356,292	605,821	402,194	395,698	422,757	393,810	344,713	344,713	4,517,587
Sch. 9 Pay to Basin	(48,284)	(50,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(49,284)	(591,408)
Schedule 24	66,344	66,768	80,483	47,860	62,681	86,054	85,991	61,073	81,970	66,847	64,232	64,232	834,535
	\$543,577	\$404,902	\$467,957	\$348,064	\$487,364	\$794,927	\$584,203	\$494,477	\$552,625	\$485,958	\$460,583	\$460,583	\$6,085,220
Charges													
Schedule 10													
Energy	\$48,286	\$56,664	\$31,237	\$41,156	\$55,006	\$54,761	\$41,238	\$40,917	\$59,075	\$70,294	\$50,175	\$50,175	\$598,984
Demand	3,517	4,128	2,275	2,998	4,007	3,989	3,004	2,981	4,304	5,121	3,655	3,655	43,634
FERC	29,847	28,521	25,881	19,818	23,962	26,851	26,277	23,321	23,261	23,238	25,279	25,279	301,535
	\$81,650	\$89,313	\$59,393	\$63,972	\$82,975	\$85,601	\$70,519	\$67,219	\$86,640	\$98,653	\$79,109	\$79,109	\$944,153
Schedule 11 - Misc	\$0	\$0	(\$2)	(\$2)	\$0	\$0	(\$2)	(\$3)	\$7	\$0	(\$73)	\$0	(\$75)
Schedule 26	261,724	283,420	258,966	198,298	239,761	268,672	153,037	132,972	132,632	132,502	144,137	144,137	2,350,258
Schedule 26A/E	449,264	478,429	369,384	384,278	424,797	493,977	523,818	470,224	487,270	470,204	505,926	505,926	5,563,497
Total MISO Charges	\$792,638	\$851,162	\$687,741	\$646,546	\$747,533	\$848,250	\$747,372	\$670,412	\$706,549	\$701,359	\$729,099	\$729,172	\$8,857,833
1/ MISO Schedule 2 Tariff ceases December 1, 2022 per the Order FERC Docket No. ER23-523. Any activity noted after December 1, 2022 are adjustments to zero out revenues after December 1, 2022.													

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, 2023

	Per Books											Projected Jun-23	Total	
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23			
SPP														
Revenue/Credits														
Facility Credits	\$1,024,237	\$1,024,237	\$1,024,237	\$1,024,237	\$1,024,237	\$1,027,237	\$1,024,237	\$1,311,665	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$1,167,951	\$13,156,128
Charges														
Schedule 1	\$66,209	\$19,721	\$75,366	\$58,247	\$28,681	\$63,364	\$76,315	\$39,281	\$52,307	\$43,191	\$40,020	\$40,020	\$40,020	\$602,722
Schedule 1a	39,091	43,135	41,787	39,091	43,153	39,194	43,078	48,637	36,461	49,466	42,356	42,356	42,356	507,805
Schedule 2	4,232	4,630	3,853	5,443	4,794	4,168	4,696	4,770	4,030	4,603	4,165	4,165	4,165	53,549
Schedule 8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Schedule 9	1,444,992	1,437,892	1,431,299	1,431,299	1,432,070	1,431,057	1,431,228	1,224,635	1,326,715	1,327,341	1,331,882	1,331,882	1,331,882	16,582,292
Schedule 11	195,064	194,875	197,711	196,269	196,318	196,160	196,180	168,249	178,896	180,522	180,922	180,922	180,922	2,262,088
Schedule 12	15,420	13,336	21,928	11,551	15,836	21,433	23,876	17,734	14,614	17,448	11,149	11,149	11,149	195,474
Total SPP Charges	\$1,765,008	\$1,713,589	\$1,771,944	\$1,741,900	\$1,720,852	\$1,755,376	\$1,775,373	\$1,503,306	\$1,613,023	\$1,622,571	\$1,610,494	\$1,610,494	\$1,610,494	\$20,203,930
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	\$20,333	\$244,000
Rate 45	0	0	0	0	0	0	0	0	0	0	330,920	460,525	460,525	791,445
MISO	543,577	404,902	467,957	348,064	487,364	794,927	584,203	494,477	552,625	485,958	460,583	460,583	460,583	6,085,220
SPP	1,024,237	1,024,237	1,024,237	1,024,237	1,024,237	1,027,237	1,024,237	1,311,665	1,167,951	1,167,951	1,167,951	1,167,951	1,167,951	13,156,128
	\$1,588,147	\$1,449,472	\$1,512,527	\$1,392,634	\$1,531,934	\$1,842,501	\$1,628,773	\$1,826,475	\$1,740,909	\$1,674,242	\$1,979,787	\$2,109,392	\$2,109,392	\$20,276,793
Allocated to ND 1/	\$1,127,727	\$1,029,256	\$1,074,030	\$988,896	\$1,087,811	\$1,308,342	\$1,144,906	\$1,283,876	\$1,223,729	\$1,176,867	\$1,391,643	\$1,482,745	\$1,482,745	\$14,319,828
Total Charges:														
MISO	\$792,638	\$851,162	\$687,741	\$646,546	\$747,533	\$848,250	\$747,372	\$670,412	\$706,549	\$701,359	\$729,099	\$729,172	\$729,172	\$8,857,833
SPP	1,765,008	1,713,589	1,771,944	1,741,900	1,720,852	1,755,376	1,775,373	1,503,306	1,613,023	1,622,571	1,610,494	1,610,494	1,610,494	20,203,930
	\$2,557,646	\$2,564,751	\$2,459,685	\$2,388,446	\$2,468,385	\$2,603,626	\$2,522,745	\$2,173,718	\$2,319,572	\$2,323,930	\$2,339,593	\$2,339,666	\$2,339,666	\$29,061,763
Allocated to ND 1/	\$1,816,159	\$1,821,204	\$1,746,598	\$1,696,012	\$1,752,776	\$1,848,809	\$1,773,302	\$1,527,962	\$1,630,486	\$1,633,549	\$1,644,559	\$1,644,611	\$1,644,611	\$20,536,027
Net Expense - ND	\$688,432	\$791,948	\$672,568	\$707,116	\$664,965	\$540,467	\$628,396	\$244,086	\$406,757	\$456,682	\$252,916	\$161,866	\$161,866	\$6,216,199

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

2022
71.009009%

2023
70.292541%

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

Rate Base	Prior Filing					Actual							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	
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	385,042	385,042	385,042	385,042	385,042
Richland	3,524,917	3,539,634	3,544,878	3,544,937	3,545,289	3,545,433	3,545,580	3,573,683	3,573,801	3,573,857	3,574,108	3,598,816	
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	5,031,484	12,469,601	12,573,571	14,349,008	15,143,210	15,259,945	14,476,965	
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	2,302,067	2,304,241	2,248,449	2,199,948	2,220,333	
April Storm Repair	0	0	0	0	0	1,887,975	1,940,441	1,950,433	2,028,983	2,039,248	2,037,165	2,017,753	
Total Plant Balance	\$42,518,612	\$42,539,005	\$42,552,750	\$42,556,295	\$42,560,121	\$44,491,695	\$51,982,425	\$54,426,557	\$56,282,836	\$57,031,567	\$57,097,969	\$56,340,670	\$49,198,375
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	343,407	356,844	370,281	383,719	397,156	410,593	
Watford City	483,234	507,767	532,300	556,833	581,366	605,899	630,432	654,965	679,497	704,030	728,563	753,096	
Lightning Protection	11,912	12,405	12,898	13,391	13,883	14,376	14,869	15,362	15,855	16,348	16,841	17,333	
Richland	28,877	33,508	38,159	42,816	47,474	52,132	56,790	61,448	66,144	70,839	75,535	80,231	
Crosby	37,717	39,716	41,716	43,716	45,716	47,716	49,716	51,715	53,715	55,715	57,715	59,715	
Bismarck	17,593	18,963	20,332	21,701	23,071	24,440	25,809	27,179	28,548	29,917	31,287	32,656	
Mandan	9,307	16,280	23,261	30,253	37,251	44,254	51,331	68,256	85,333	105,410	126,827	148,441	
Mobile Sub	24,708	28,237	31,767	35,297	38,826	42,356	45,886	49,415	52,945	56,475	60,004	63,534	
Tioga	0	0	0	0	0	0	0	0	3,890	7,785	11,585	15,302	
April Storm - Reserve	0	0	0	0	0	0	3,191	6,470	9,766	13,195	16,642	20,084	
April Storm - Retirement	0	0	0	0	0	0	0	0	(577,104)	(581,267)	(580,422)	(581,575)	
Total Accumulated Reserve	\$1,016,060	\$1,079,315	\$1,142,599	\$1,205,901	\$1,269,209	\$1,332,523	\$1,399,103	\$1,475,617	\$979,124	\$1,058,711	\$1,144,569	\$1,228,537	\$1,194,272
Net Plant in Service	\$41,502,552	\$41,459,690	\$41,410,151	\$41,350,394	\$41,290,912	\$43,159,172	\$50,583,322	\$52,950,940	\$55,303,712	\$55,972,856	\$55,953,400	\$55,112,133	\$48,004,103
Accum Def Income Taxes 1/	\$818,021	\$860,821	\$899,301	\$933,598	\$963,570	\$989,578	\$1,011,229	\$1,028,523	\$1,041,599	\$1,050,318	\$1,054,819	\$1,054,958	
Total Rate Base	\$40,684,531	\$40,598,869	\$40,510,850	\$40,416,796	\$40,327,342	\$42,169,594	\$49,572,093	\$51,922,417	\$54,262,113	\$54,922,538	\$54,898,581	\$54,057,175	\$47,028,575
Return on Rate Base 2/	\$249,667	\$249,142	\$248,602	\$248,024	\$247,475	\$258,781	\$304,207	\$318,631	\$332,988	\$337,041	\$336,894	\$331,731	\$3,463,183
Expenses													
Operating Expenses													
O&M	\$0	\$0	\$0	\$0	\$0	\$70,974	\$1,347	\$794	(\$93,829)	\$24,166	\$0	\$0	Year End \$3,452
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	
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	
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	
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	
Lightning Protection	493	493	493	493	493	493	493	493	493	493	493	493	
Richland	4,631	4,631	4,651	4,657	4,658	4,658	4,658	4,658	4,695	4,696	4,696	4,696	
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	
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	
Mandan	5,292	6,973	6,981	6,992	6,997	7,003	7,077	16,925	17,077	20,077	21,417	21,613	
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	
Tioga	0	0	0	0	0	0	0	0	3,890	3,894	3,800	3,718	
April Storm Repair	0	0	0	0	0	0	3,191	3,279	3,296	3,429	3,446	3,443	
Total Depreciation	\$61,576	\$63,256	\$63,284	\$63,301	\$63,308	\$63,314	\$66,579	\$76,515	\$80,611	\$83,749	\$85,012	\$85,123	\$855,628
Property Tax 3/	23,111	23,111	23,111	23,111	23,111	23,732	23,732	23,732	23,732	23,732	23,732	23,734	281,681
Total Expenses	\$84,687	\$86,367	\$86,395	\$86,412	\$86,419	\$158,020	\$91,658	\$101,041	\$10,514	\$131,647	\$108,744	\$108,857	\$1,140,761
Income before Taxes (EBIT)	(\$84,687)	(\$86,367)	(\$86,395)	(\$86,412)	(\$86,419)	(\$158,020)	(\$91,658)	(\$101,041)	(\$10,514)	(\$131,647)	(\$108,744)	(\$108,857)	(\$1,140,761)
Interest Expense	79,809	79,641	79,469	79,284	79,109	82,723	97,244	101,854	106,444	107,740	107,693	106,042	1,107,052
Taxable income	(\$164,496)	(\$166,008)	(\$165,864)	(\$165,696)	(\$165,528)	(\$240,743)	(\$188,902)	(\$202,895)	(\$116,958)	(\$239,387)	(\$216,437)	(\$214,899)	(\$2,247,813)
Income Taxes 4/	(\$40,145)	(\$40,514)	(\$40,479)	(\$40,438)	(\$40,397)	(\$58,753)	(\$46,101)	(\$49,516)	(\$28,543)	(\$58,422)	(\$52,821)	(\$52,446)	(\$548,575)
Operating Income	(\$44,542)	(\$45,853)	(\$45,916)	(\$45,974)	(\$46,022)	(\$99,267)	(\$45,557)	(\$51,525)	\$18,029	(\$73,225)	(\$55,923)	(\$56,411)	(\$592,186)
Revenue Requirement	\$389,191	\$390,230	\$389,599	\$388,911	\$388,249	\$473,639	\$462,681	\$489,656	\$416,639	\$542,715	\$519,633	\$513,449	\$5,364,592

Note: Footnotes outlined on Exhibit 5, page 5.

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.
Rate 45:	Revenue received from data center-type facilities housing high density computer processing technology.
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. Effective 12-01-2022, Per FERC Order Docket No. ER23-523, this Schedule has been removed from Midcontinent Independent System Operator's, Inc. (MISO) Tariff.
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:	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 2023 and 2024 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.

MISO Schedule 26A:	Reflects seventeen MVPs approved by MISO as part of the MTEP 2011 report, including Big Stone South to Ellendale (BSSE). Schedule 26A is charged equally to all MISO load for recovery of MISO's MVP portfolio.
MISO Schedule 26E:	Charges paid by Montana-Dakota for MISO Interregional Market Efficiency Projects (IMEP).
SPP Schedule 1:	Charges paid by Montana-Dakota to SPP for the scheduling and administration of power through SPP.
SPP Schedule 1a:	Charges paid by Montana-Dakota to SPP for SPP's administration of the market and transmission system.
SPP Schedule 9:	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.
SPP Schedule 11:	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.
SPP Schedule 12:	The FERC assessments to SPP associated with Montana-Dakota's loads on the SPP system.

Montana-Dakota Utilities Co.
Electric Utility
MISO Revenue Schedules 1, 7, 8, and 24
Projected Twelve Months Ending June 2024

	<u>Schedule 1 1/</u>	<u>Schedule 7 1/</u>	<u>Schedule 8 1/</u>	<u>Schedule 24 1/</u>
July 2023	\$10,913	\$64,983	\$23,900	\$71,015
August	10,913	64,983	23,900	71,015
September	10,913	64,983	23,900	71,015
October	10,913	64,983	23,900	71,015
November	10,913	64,983	23,900	71,015
December	10,913	64,983	23,900	71,015
January 2024	10,913	64,983	23,900	71,015
February	10,913	64,983	23,900	71,015
March	10,913	64,983	23,900	71,015
April	10,913	64,983	23,900	71,015
May	10,913	64,983	23,900	71,015
June	10,913	64,981	23,896	71,009
Total	<u><u>\$130,956</u></u>	<u><u>\$779,794</u></u>	<u><u>\$286,796</u></u>	<u><u>\$852,174</u></u>

1/ Reflects twelve months ended May 31, 2023 per books.

**Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 10 Expenses
Projected Twelve Months Ending June 2024**

	Schedule 10 1/			
	MISO - Energy	MISO - Demand	FERC - Direct	Total
July 2023	\$59,661	\$11,212	\$33,316	\$104,189
August	59,661	11,212	33,316	104,189
September	59,661	11,212	33,316	104,189
October	59,661	11,212	33,316	104,189
November	59,661	11,212	33,316	104,189
December	59,661	11,212	33,316	104,189
January 2024	59,661	11,212	33,316	104,189
February	59,661	11,212	33,316	104,189
March	59,661	11,212	33,316	104,189
April	59,661	11,212	33,316	104,189
May	59,661	11,212	33,316	104,189
June	59,658	11,211	33,315	104,184
Total	\$715,929	\$134,543	\$399,791	\$1,250,263

1/ Reflects twelve months ended May 31, 2023 per books and anticipated increases related to the Rate 45 customer.

**Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 26 Expense
Projected Twelve Months Ending June 2024**

	Total Schedule 26 Charges 1/
July 2023	\$322,755
August	322,755
September	322,755
October	322,755
November	322,755
December	322,755
January 2024	254,284
February	254,284
March	254,284
April	254,284
May	254,284
June	254,284
Total	\$3,462,234

1/ Schedule 26 indicative costs posted by MISO as of May 4, 2022 and June 9, 2023, and anticipated Rate 45 customer charges:

2023 Indicative Charge	\$3,319,205
2024 Indicative Charge	\$2,497,552

**Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 26A Expenses
Projected Twelve Months Ending June 2024**

	Total Integrated Requirements MWH 1/	Total Schedule 26A Expenses 2/
July 2023	399,055	\$618,535
August	383,420	594,301
September	367,455	569,555
October	371,686	576,113
November	395,868	613,595
December	431,664	669,079
January 2024	443,306	682,691
February	421,743	649,484
March	412,669	635,510
April	365,358	562,651
May	363,250	559,405
June	374,685	577,015
Total	<u>4,730,159</u>	<u>\$7,307,934</u>

1/ 2023-2024 Electric Load Forecast. Includes Rate 45 customer.

2/ Montana-Dakota's Indicative Annual MVP Charges for
Approved MVPs as of May 4, 2022 and June 9, 2023:

2023 Indicative Charge	\$1.55
2024 Indicative Charge	\$1.54

**Montana-Dakota Utilities Co.
Electric Utility
MISO Schedule 9 Revenue, BEPC Payments & Credits, and
Facility Sharing Agreement Revenue
Projected Twelve Months Ending June 2024**

	MISO Sch 9 Revenue 1/	Payments to Basin 2/	Basin Facility Sharing Agreements 3/	Rate 45 Customer 4/
July 2023	\$293,566	(\$47,184)	\$20,333	\$873,230
August	293,566	(47,184)	20,333	873,230
September	293,566	(47,184)	20,333	932,510
October	293,566	(47,184)	20,333	932,510
November	293,566	(47,184)	20,333	932,510
December	293,566	(47,184)	20,333	932,510
January 2024	293,566	(47,184)	20,333	881,170
February	293,566	(47,184)	20,333	881,170
March	293,566	(47,184)	20,333	881,170
April	293,566	(47,184)	20,333	881,170
May	293,566	(47,184)	20,333	881,170
June	293,560	(47,187)	20,337	881,167
Total	<u><u>\$3,522,786</u></u>	<u><u>(\$566,211)</u></u>	<u><u>\$244,000</u></u>	<u><u>\$10,763,517</u></u>

1/ Reflects 2023 NITS updated to reflect the Rate 45 customer load.

2/ NITS Customer Revenue Requirements included in Projected 2022 Attachment O as of January 2023.

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

4/ Rate 45 customer estimated revenue.

**Montana-Dakota Utilities Co.
Electric Utility
SPP Revenue and Expenses
Projected Twelve Months Ending June 2024**

	Charges 1/					Revenues 2/
	SPP Sch 1	SPP Sch 1a	Sch 9 NITS	SPP Sch 11	SPP Sch 12	Sch 9 Fac. Credit
July 2023	\$49,509	\$42,382	\$1,387,807	\$189,638	\$16,428	\$1,167,951
August	49,509	42,382	1,387,807	189,638	16,428	1,167,951
September	49,509	42,382	1,387,807	189,638	16,428	1,167,951
October	49,509	42,382	1,387,807	189,638	16,428	1,167,951
November	49,509	42,382	1,387,807	189,638	16,428	1,167,951
December	49,509	42,382	1,387,807	189,638	16,428	1,167,951
January 2024	49,509	42,382	1,387,807	189,638	16,428	1,167,951
February	49,509	42,382	1,387,807	189,638	16,428	1,167,951
March	49,509	42,382	1,387,807	189,638	16,428	1,167,951
April	49,509	42,382	1,387,807	189,638	16,428	1,167,951
May	49,509	42,382	1,387,807	189,638	16,428	1,167,951
June	49,505	42,382	1,387,803	189,643	16,423	1,167,953
Total	<u>\$594,104</u>	<u>\$508,584</u>	<u>\$16,653,680</u>	<u>\$2,275,661</u>	<u>\$197,131</u>	<u>\$14,015,414</u>

1/ Reflects twelve months ended May 31, 2023 per books.

2/ SPP Section 30.9 Facility Credits for 2023.

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

On July 14, 2023, 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.

The proposed TCA rates also reflect the inclusion of the proposed net benefit of a large customer now taking service under Rate 45. All customers of Montana-Dakota will benefit from this customer's service through the crediting of transmission revenue received from this customer. For a residential customer using 800 KWh, the Company estimates a cost savings of approximately \$3.22 per month or \$38.64 annually.

Montana-Dakota has requested the proposed TCA rates be effective with service rendered on and after November 1, 2023, 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 800 KWh will see a decrease of \$4.70 per month or a decrease of \$56.40 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	\$0.00116 per KWh
Current Rate	\$0.00704 per KWh
Change	(\$0.00588) per KWh
	Large General & Contracts
Applicable Rate Schedules	30, 31, 32, 38, & 48
Proposed Rate	\$0.00095 per KWh
Current Rate	\$0.00562 per KWh
Change	(\$0.00467) per KWh
	Lighting
Applicable Rate Schedules	41 & 52
Proposed Rate	\$0.00038 per KWh
Current Rate	\$0.00351 per KWh
Change	(\$0.00313) per KWh

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