



**MONTANA-DAKOTA**

**UTILITIES CO.**

*A Subsidiary of MDU Resources Group, Inc.*

400 North Fourth Street  
Bismarck, ND 58501  
701-222-7900  
www.montana-dakota.com

April 17, 2024

Executive Secretary  
North Dakota Public Service Commission  
600 E Boulevard Ave, Dept 408  
Bismarck, ND 58505-0480

**RE: Fuel and Purchased Power Adjustment  
Case No. PU-24-010  
May 2024**

Montana-Dakota Utilities Co. (Montana-Dakota) herewith electronically submits its Fuel and Purchased Power (F&PP) adjustment to the North Dakota Public Service Commission (Commission) pursuant to the terms of the Rate 58 tariff.

Exhibit A, page 1 summarizes the fuel and purchased power adjustment calculated pursuant to the terms of Rate 58 that will apply during the month of May 2024. Pages 2 through 4 show the calculation of the adjustment which is based on a four-month historical average cost of fuel and purchased power.

The net effect of this F&PP adjustment is a reduction of 0.523 cents per kWh for primary service customers and a reduction of 0.532 cents per kWh for secondary service customers for service rendered in the month of May 2024 from current effective rates as shown below. The per unit decrease was largely the result of a decrease in per unit energy costs.

	<u>Primary</u>	<u>Secondary</u>
F&PP Effective May 1, 2024	\$0.04016	\$0.04003
F&PP Effective April 1, 2024	0.04539	0.04535
Change	(\$0.00523)	(\$0.00532)

The current and historical Fuel and Purchased Power Adjustment for primary and secondary service customers can be found by selecting the Fuel and Purchased Power Adjustment link at <https://www.montana-dakota.com/rates-services/rates-tariffs>.

All of Montana-Dakota’s retail electric customers in North Dakota may be affected by this proposal. There were 94,051 electric customers in North Dakota as of March 31, 2024.

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

Montana-Dakota respectfully requests this electronic filing, in lieu of an original and two (2) physical copies, be accepted as being in full compliance with the filing requirements of this Commission.

If you have any questions regarding this filing, please contact me at (701) 222-7855 or [Travis.Jacobson@mdu.com](mailto:Travis.Jacobson@mdu.com).

Sincerely,

*/s/ Travis R. Jacobson*

Travis R. Jacobson  
Director of Regulatory Affairs

Attachments

**MONTANA-DAKOTA UTILITIES CO.  
ELECTRIC INTEGRATED SYSTEM - NORTH DAKOTA  
FUEL AND PURCHASED POWER ADJUSTMENT  
MAY 2024 ADJUSTMENT**

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.03218	\$0.03290
Prior Cost of Fuel	0.03741	0.03822
Change in Cost of Fuel	<u>(\$0.00523)</u>	<u>(\$0.00532)</u>
 <u>Surcharge Adjustment</u>		
Current Adjustment	\$0.00798	\$0.00713
Prior Adjustment	0.00798	0.00713
Change in Surcharge Adjustment	<u>\$0.00000</u>	<u>\$0.00000</u>
 Cost of Fuel	 \$0.03218	 \$0.03290
Surcharge Adjustment	<u>0.00798</u>	<u>0.00713</u>
Total	<u><u>\$0.04016</u></u>	<u><u>\$0.04003</u></u>

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

	Total 1/	Allocation to 2/ North Dakota	Allocation to 3/	
			Primary	Secondary
Fuel & Purchased Power Cost				
Accounts 501 Coal and 547 Gas	\$9,543,489	\$6,848,300	\$1,354,817	\$5,493,483
Account 502 Reagent	453,494	325,422	64,379	261,043
Account 555 Energy	28,096,268	20,161,565	3,988,615	16,172,950
Accounts 555 Demand and 547 Pipeline Charges	1,601,649	1,165,028	180,922	984,106
Account 575 Market Admin.	160,059	114,857	22,722	92,135
Total F&PP Cost	<u>\$39,854,959</u>	<u>\$28,615,172</u>	<u>\$5,611,455</u>	<u>\$23,003,717</u>
Less:				
Wholesale Sales Revenue	\$723,327	\$519,051	\$102,685	\$416,366
Sale of RECs Revenue	565,183	406,046	80,329	325,717
Rate 45 Margin Sharing 4/	2,051,063	2,051,063	405,767	1,645,296
Total Revenue	<u>\$3,339,573</u>	<u>\$2,976,160</u>	<u>\$588,781</u>	<u>\$2,387,379</u>
Net System Cost	\$36,515,386	\$25,639,012	\$5,022,674	\$20,616,338
kWh Retail Sales	1,090,655,840	782,642,326	<u>156,086,031</u>	<u>626,556,295</u>
Cost Per kWh	\$0.03348	\$0.03276	<u><u>\$0.03218</u></u>	<u><u>\$0.03290</u></u>

1/ Page 3.

2/ Energy is allocated on kWh sales, demand and pipeline are allocated on Allocation Factor No. 15, Integrated System 12 Month Peak Demand, and RECs revenue is allocated on Allocation Factor No. 271, Integrated Peak Energy.

3/ Energy, wholesale sales, and RECs revenue are allocated on kWh sales at generation. Demand and pipeline are allocated on Class Allocation Factor No. 2, Coincident Peak Demand from Case No. PU-22-194.

4/ Case No. PU-22-371.

Factor No. 15 ND	72.739303%
Factor No. 2 Primary	15.529398%
Factor No. 2 Secondary	84.470602%

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

	2023	2024			Total
	December	January	February	March	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$2,348,487	\$2,984,588	\$1,944,467	\$2,265,947	\$9,543,489
Account 502 Reagent	114,698	155,116	83,548	100,132	453,494
Account 555 Energy 1/ Accounts 555 Demand and 547 Pipeline Charges	6,543,039	13,181,152	6,186,273	2,185,804	28,096,268
Account 575 Market Admin.	371,729	440,462	363,912	425,546	1,601,649
Total F&PP Cost	41,999	37,260	47,910	32,890	160,059
	<u>\$9,419,952</u>	<u>\$16,798,578</u>	<u>\$8,626,110</u>	<u>\$5,010,319</u>	<u>\$39,854,959</u>
Less:					
Wholesale Sales Revenue	\$219,410	\$206,712	\$221,202	\$76,003	\$723,327
Sale of RECs Revenue	0	0	407	564,776	565,183
Total Revenue	<u>\$219,410</u>	<u>\$206,712</u>	<u>\$221,609</u>	<u>\$640,779</u>	<u>\$1,288,510</u>
Net System Cost	\$9,200,542	\$16,591,866	\$8,404,501	\$4,369,540	\$38,566,449
kWh Retail Sales	261,066,867	310,340,074	262,972,448	256,276,451	<u>1,090,655,840</u>
Cost Per kWh	\$0.03524	\$0.05346	\$0.03196	\$0.01705	<u><u>\$0.03536</u></u>

**MONTANA-DAKOTA UTILITIES CO.  
ELECTRIC INTEGRATED SYSTEM  
FUEL AND PURCHASED POWER ADJUSTMENT  
ACCOUNT 555 ENERGY**

Account No.	Account Description	2023	2024		
		December	January	February	March
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$4,016,981	\$7,904,606	\$3,211,540	\$2,363,666
555.114	Real-Time Asset Energy	(243,280)	(859,003)	(219,635)	(90,428)
555.117	Real-Time Excessive Energy	435	293	264	(137)
555.118	Real-Time Non-Excessive Energy	(591,968)	(596,672)	(144,868)	(326,066)
555.1212	Day-Ahead Financial Bilateral Congestion Loss	350,339	313,342	153,845	25,285
555.1230	Revenue Rights Transaction	(954,093)	(954,093)	(954,093)	(1,141,422)
555.1232	Revenue Rights Infeasible Uplift	4,446	4,446	4,446	6,736
555.1233	Revenue Rights Stage 2 Distribution	(125,531)	(125,531)	(125,531)	(137,738)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(31,520)	(40)	(23,569)	(20,974)
555.132	Day-Ahead Financial Bilateral Transaction Loss	23,159	40,564	18,384	19,624
555.135	Real-Time Asset Loss	13,078	454,273	112,289	85,829
555.136	Real-Time Distribution of Loss	(78,333)	(189,821)	(51,875)	(67,883)
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	(78)	(1,686)	0	0
555.153	Real-Time Miscellaneous	(1,041)	2,979	(179,431)	(2,867)
555.154	Real-Time Net Inadvertent Distribution	(5,358)	1,150	1,239	(13,192)
555.155	Real-Time Revenue Neutrality Uplift	68,590	149,116	47,500	75,623
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	1,218	6,727	657	645
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	0	(57,481)	0	0
555.159	Day-Ahead Schedule 24	5,008	6,292	4,710	4,950
555.160	Real-Time Schedule 24	989	1,019	961	988
555.162	Real-Time Price Volatility Make Whole Payment	(9,909)	(26,936)	(25,509)	(17,146)
555.164	Real-Time Schedule 49	19,463	20,750	2,534	16,206
555.1701	Day-Ahead Spinning Reserve Amount	(10,281)	(2,203)	(6,955)	(15,705)
555.1702	Day-Ahead Supplemental Reserve Amount	0	0	0	(12)
555.1703	Day-Ahead Ramp Capability	(887)	(543)	(1,209)	(4,877)
555.1704	Day-Ahead Short Term Reserve Amount	(1,140)	(6,775)	(1,009)	(2,644)
555.1711	Real-Time Excessive Deficient Energy Deployment	16	16	39	53
555.1714	Real-Time Spinning Reserve Amount	(2,033)	(1,423)	(1,047)	(3,137)
555.1715	Real-Time Supplemental Reserve Amount	0	(1)	0	0
555.1716	Real-Time Regulation Cost Distribution	9,531	6,745	8,350	9,299
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	9,344	8,442	6,444	8,725
555.1718	Real-Time Supplemental Reserve Cost Distribution	566	1,336	892	(621)
555.1719	Real-Time Demand Response Allocation Uplift	1,014	687	133	11,962
555.1720	Real-Time Ramp Capability	(344)	(139)	(909)	(924)
555.1721	Real-Time Short Term Cost Distribution Amount	2,165	44,220	1,741	5,445
555.1723	Real-Time Short Term Reserve Amount	(61)	(591)	(42)	145
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	168,732	312,710	279,336	116,017
555.186	Real-Time Over Collected Losses	(107,073)	(120,160)	(225,867)	(46,832)
555.1915	Real-Time Asset Congestion	2,995,703	5,817,485	3,427,282	223,603
555.1920	Auction Revenue Rights-Daily	(304,400)	(295,127)	(389,493)	(213,294)
	<u>Other</u>				
555.X	Purchased Power	1,319,433	1,322,104	1,254,544	1,316,564
555.5	Purchased Power Cogeneration	159	75	185	338
	<b>Total Account 555 Energy</b>	<b>\$6,543,039</b>	<b>\$13,181,152</b>	<b>\$6,186,273</b>	<b>\$2,185,804</b>