



A Subsidiary of MDU Resources Group, Inc.

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May 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
June 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 June 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 0.510 cents per kWh for primary service customers and a reduction of 0.517 cents per kWh for secondary service customers for service rendered in the month of June 2024 from current effective rates as shown below. The per unit decrease was largely the result of a decrease in per unit purchased power costs.

	<u>Primary</u>	<u>Secondary</u>
F&PP Effective June 1, 2024	\$0.03506	\$0.03486
F&PP Effective May 1, 2024	0.04016	0.04003
Change	(\$0.00510)	(\$0.00517)

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 94,087 electric customers in North Dakota as of April 30, 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 Generating 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.

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
JUNE 2024 ADJUSTMENT**

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.02708	\$0.02773
Prior Cost of Fuel	0.03218	0.03290
Change in Cost of Fuel	<u>(\$0.00510)</u>	<u>(\$0.00517)</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	 \$0.02708	 \$0.02773
Surcharge Adjustment	0.00798	0.00713
Total	<u><u>\$0.03506</u></u>	<u><u>\$0.03486</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	\$9,091,782	\$6,532,131	\$1,262,676	\$5,269,455
Account 502 Reagent	434,287	312,020	60,314	251,706
Account 555 Energy	22,756,013	16,349,408	3,160,377	13,189,031
Accounts 555 Demand and 547 Pipeline Charges	1,644,536	1,196,224	185,766	1,010,458
Account 575 Market Admin.	159,830	114,832	22,197	92,635
Total F&PP Cost	<u>\$34,086,448</u>	<u>\$24,504,615</u>	<u>\$4,691,330</u>	<u>\$19,813,285</u>
Less:				
Wholesale Sales Revenue	\$651,524	\$468,097	\$90,484	\$377,613
Sale of RECs Revenue	565,183	406,046	78,490	327,556
Rate 45 Margin Sharing 4/	2,242,748	2,242,748	433,528	1,809,220
Total Revenue	<u>\$3,459,455</u>	<u>\$3,116,891</u>	<u>\$602,502</u>	<u>\$2,514,389</u>
Net System Cost	\$30,626,993	\$21,387,724	\$4,088,828	\$17,298,896
kWh Retail Sales	1,078,405,989	774,797,388	<u>150,989,821</u>	<u>623,807,567</u>
Cost Per kWh	\$0.02840	\$0.02760	<u><u>\$0.02708</u></u>	<u><u>\$0.02773</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**

	2024				Total
	January	February	March	April	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$2,984,588	\$1,944,467	\$2,265,947	\$1,896,780	\$9,091,782
Account 502 Reagent	155,116	83,548	100,132	95,491	434,287
Account 555 Energy 1/ Accounts 555 Demand and 547 Pipeline Charges	13,181,152	6,186,273	2,185,804	1,202,784	22,756,013
Account 575 Market Admin.	440,462	363,912	425,546	414,616	1,644,536
Total F&PP Cost	<u>\$16,798,578</u>	<u>\$8,626,110</u>	<u>\$5,010,319</u>	<u>\$3,651,441</u>	<u>\$34,086,448</u>
Less:					
Wholesale Sales Revenue	\$206,712	\$221,202	\$76,003	\$147,607	\$651,524
Sale of RECs Revenue	0	407	564,776	0	565,183
Total Revenue	<u>\$206,712</u>	<u>\$221,609</u>	<u>\$640,779</u>	<u>\$147,607</u>	<u>\$1,216,707</u>
Net System Cost	\$16,591,866	\$8,404,501	\$4,369,540	\$3,503,834	\$32,869,741
kWh Retail Sales	310,340,074	262,972,448	256,276,451	248,817,016	<u>1,078,405,989</u>
Cost Per kWh	\$0.05346	\$0.03196	\$0.01705	\$0.01408	<u><u>\$0.03048</u></u>

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

Account No.	Account Description	2024			
		January	February	March	April
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$7,904,606	\$3,211,540	\$2,363,666	\$1,226,201
555.114	Real-Time Asset Energy	(859,003)	(219,635)	(90,428)	(73,744)
555.117	Real-Time Excessive Energy	293	264	(137)	800
555.118	Real-Time Non-Excessive Energy	(596,672)	(144,868)	(326,066)	(55,865)
555.1212	Day-Ahead Financial Bilateral Congestion Loss	313,342	153,845	25,285	(48,384)
555.1230	Revenue Rights Transaction	(954,093)	(954,093)	(1,141,422)	(1,141,422)
555.1232	Revenue Rights Infeasible Uplift	4,446	4,446	6,736	6,725
555.1233	Revenue Rights Stage 2 Distribution	(125,531)	(125,531)	(137,738)	(137,776)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(40)	(23,569)	(20,974)	(17,334)
555.132	Day-Ahead Financial Bilateral Transaction Loss	40,564	18,384	19,624	23,505
555.135	Real-Time Asset Loss	454,273	112,289	85,829	107,064
555.136	Real-Time Distribution of Loss	(189,821)	(51,875)	(67,883)	(18,444)
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	(1,686)	0	0	(6,065)
555.153	Real-Time Miscellaneous	2,979	(179,431)	(2,867)	157
555.154	Real-Time Net Inadvertent Distribution	1,150	1,239	(13,192)	10,894
555.155	Real-Time Revenue Neutrality Uplift	149,116	47,500	75,623	44,612
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	6,727	657	645	3,623
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	(57,481)	0	0	(3,391)
555.159	Day-Ahead Schedule 24	6,292	4,710	4,950	4,528
555.160	Real-Time Schedule 24	1,019	961	988	1,131
555.162	Real-Time Price Volatility Make Whole Payment	(26,936)	(25,509)	(17,146)	(33,556)
555.164	Real-Time Schedule 49	20,750	2,534	16,206	15,149
555.1700	Day-Ahead Regulation Amount	0	0	0	(117)
555.1701	Day-Ahead Spinning Reserve Amount	(2,203)	(6,955)	(15,705)	(17,971)
555.1702	Day-Ahead Supplemental Reserve Amount	0	0	(12)	12
555.1703	Day-Ahead Ramp Capability	(543)	(1,209)	(4,877)	(6,695)
555.1704	Day-Ahead Short Term Reserve Amount	(6,775)	(1,009)	(2,644)	(6,558)
555.1710	Real-Time Net Regulation Adjustment	0	0	0	1
555.1711	Real-Time Excessive Deficient Energy Deployment	16	39	53	41
555.1713	Real-Time Regulation Amount	0	0	0	441
555.1714	Real-Time Spinning Reserve Amount	(1,423)	(1,047)	(3,137)	(2,353)
555.1715	Real-Time Supplemental Reserve Amount	(1)	0	0	0
555.1716	Real-Time Regulation Cost Distribution	6,745	8,350	9,299	9,757
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	8,442	6,444	8,725	8,704
555.1718	Real-Time Supplemental Reserve Cost Distribution	1,336	892	(621)	914
555.1719	Real-Time Demand Response Allocation Uplift	687	133	11,962	34
555.1720	Real-Time Ramp Capability	(139)	(909)	(924)	(814)
555.1721	Real-Time Short Term Cost Distribution Amount	44,220	1,741	5,445	7,319
555.1723	Real-Time Short Term Reserve Amount	(591)	(42)	145	(613)
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	312,710	279,336	116,017	70,090
555.186	Real-Time Over Collected Losses	(120,160)	(225,867)	(46,832)	(57,801)
555.1915	Real-Time Asset Congestion	5,817,485	3,427,282	223,603	502,191
555.1920	Auction Revenue Rights-Daily	(295,127)	(389,493)	(213,294)	(486,293)
	<u>Other</u>				
555.X	Purchased Power	1,322,104	1,254,544	1,316,564	1,273,616
555.5	Purchased Power Cogeneration	75	185	338	471
	Total Account 555 Energy	<u>\$13,181,152</u>	<u>\$6,186,273</u>	<u>\$2,185,804</u>	<u>\$1,202,784</u>