



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

August 16, 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
September 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 September 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 an increase of 0.355 cents per kWh for primary service customers and an increase of 0.360 cents per kWh for secondary service customers for service rendered in the month of September 2024 from current effective rates as shown below. The per unit increase was largely the result of an increase in per unit purchased power costs.

	<u>Primary</u>	<u>Secondary</u>
F&PP Effective September 1, 2024	\$0.02351	\$0.02341
F&PP Effective August 1, 2024	0.01996	0.01981
Change	\$0.00355	\$0.00360

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 94,088 electric customers in North Dakota as of July 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 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

Attachment

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

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.01553	\$0.01628
Prior Cost of Fuel	0.01198	0.01268
Change in Cost of Fuel	<u>\$0.00355</u>	<u>\$0.00360</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	 \$0.01553	 \$0.01628
Surcharge Adjustment	0.00798	0.00713
Total	<u><u>\$0.02351</u></u>	<u><u>\$0.02341</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	\$9,239,748	\$6,553,834	\$1,314,641	\$5,239,193
Account 502 Reagent	542,111	384,524	77,132	307,392
Account 555 Energy	5,343,421	3,790,135	760,267	3,029,868
Accounts 555 Demand and 547 Pipeline Charges	1,840,298	1,338,620	207,880	1,130,740
Account 575 Market Admin.	152,509	108,176	21,699	86,477
Total F&PP Cost	<u>\$17,118,087</u>	<u>\$12,175,289</u>	<u>\$2,381,619</u>	<u>\$9,793,670</u>
Less:				
Wholesale Sales Revenue	\$599,920	\$425,528	\$85,357	\$340,171
Sale of RECs Revenue	636,511	457,291	91,728	365,563
Rate 45 Margin Sharing 4/	945,461	945,461	189,651	755,810
Total Revenue	<u>\$2,181,892</u>	<u>\$1,828,280</u>	<u>\$366,736</u>	<u>\$1,461,544</u>
Net System Cost	\$14,936,195	\$10,347,009	\$2,014,883	\$8,332,126
kWh Retail Sales	904,376,965	641,482,447	<u>129,714,064</u>	<u>511,768,383</u>
Cost Per kWh	\$0.01652	\$0.01613	<u><u>\$0.01553</u></u>	<u><u>\$0.01628</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 Demand and 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
	April	May	June	July	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$1,896,780	\$1,864,830	\$2,711,857	\$2,766,281	\$9,239,748
Account 502 Reagent	95,491	84,636	148,405	213,579	542,111
Account 555 Energy 1/ Accounts 555 Demand and 547 Pipeline Charges	1,202,784	1,810,201	(1,498,288)	3,828,724	5,343,421
Account 575 Market Admin.	414,616	424,733	423,208	577,741	1,840,298
Total F&PP Cost	<u>\$3,651,441</u>	<u>\$4,219,689</u>	<u>\$1,819,101</u>	<u>\$7,427,856</u>	<u>\$17,118,087</u>
Less:					
Wholesale Sales Revenue	\$147,607	\$126,554	\$218,131	\$107,628	\$599,920
Sale of RECs Revenue	0	0	0	636,511	636,511
Total Revenue	<u>\$147,607</u>	<u>\$126,554</u>	<u>\$218,131</u>	<u>\$744,139</u>	<u>\$1,236,431</u>
Net System Cost	\$3,503,834	\$4,093,135	\$1,600,970	\$6,683,717	\$15,881,656
kWh Retail Sales	248,817,016	218,321,810	203,357,164	233,880,975	<u>904,376,965</u>
Cost Per kWh	\$0.01408	\$0.01875	\$0.00787	\$0.02858	<u><u>\$0.01756</u></u>

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

Account No.	Account Description	2024			
		April	May	June	July
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$1,226,201	\$1,857,862	\$422,022	\$1,606,473
555.114	Real-Time Asset Energy	(73,744)	(78,872)	(113,649)	(49,980)
555.117	Real-Time Excessive Energy	800	85	(41)	(14)
555.118	Real-Time Non-Excessive Energy	(55,865)	23,595	203,767	688,948
555.1212	Day-Ahead Financial Bilateral Congestion Loss	(48,384)	169,397	(1,398)	23,108
555.1230	Revenue Rights Transaction	(1,141,422)	(1,141,422)	(1,006,690)	(1,006,690)
555.1232	Revenue Rights Infeasible Uplift	6,725	6,724	1,288	1,288
555.1233	Revenue Rights Stage 2 Distribution	(137,776)	(137,776)	(140,857)	(140,857)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(17,334)	(16,572)	(22,126)	24
555.132	Day-Ahead Financial Bilateral Transaction Loss	23,505	17,763	34,831	49,849
555.135	Real-Time Asset Loss	107,064	44,100	98,257	209,480
555.136	Real-Time Distribution of Loss	(18,444)	(19,540)	(35,852)	(37,405)
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	(6,065)	0	0	(5,185)
555.153	Real-Time Miscellaneous	157	972	520	(302)
555.154	Real-Time Net Inadvertent Distribution	10,894	2,177	(1,691)	(7,171)
555.155	Real-Time Revenue Neutrality Uplift	44,612	43,075	63,275	98,553
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	3,623	1,265	1,652	5,856
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	(3,391)	0	0	(4,691)
555.159	Day-Ahead Schedule 24	4,528	4,218	4,686	5,457
555.160	Real-Time Schedule 24	1,131	904	923	843
555.162	Real-Time Price Volatility Make Whole Payment	(33,556)	(18,435)	(14,714)	(20,823)
555.164	Real-Time Schedule 49	15,149	15,747	15,390	17,466
555.1700	Day-Ahead Regulation Amount	(117)	117	0	0
555.1701	Day-Ahead Spinning Reserve Amount	(17,971)	(15,225)	(24,323)	(11,186)
555.1702	Day-Ahead Supplemental Reserve Amount	12	(34)	26	(226)
555.1703	Day-Ahead Ramp Capability	(6,695)	(5,189)	(8,976)	(5,432)
555.1704	Day-Ahead Short Term Reserve Amount	(6,558)	(3,696)	(6,201)	(48,878)
555.1710	Real-Time Net Regulation Adjustment	1	21,528	(21,528)	0
555.1711	Real-Time Excessive Deficient Energy Deployment	41	39	1	74
555.1713	Real-Time Regulation Amount	441	(560)	79	0
555.1714	Real-Time Spinning Reserve Amount	(2,353)	(3,516)	(10,343)	(4,863)
555.1715	Real-Time Supplemental Reserve Amount	0	2	(156)	75
555.1716	Real-Time Regulation Cost Distribution	9,757	9,294	10,525	13,107
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	8,704	11,404	8,193	9,746
555.1718	Real-Time Supplemental Reserve Cost Distribution	914	1,074	753	4,563
555.1719	Real-Time Demand Response Allocation Uplift	34	23	70	3,309
555.1720	Real-Time Ramp Capability	(814)	(1,158)	(295)	(919)
555.1721	Real-Time Short Term Cost Distribution Amount	7,319	11,759	6,068	42,070
555.1723	Real-Time Short Term Reserve Amount	(613)	(2,162)	(240)	(8,501)
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	70,090	17,177	7,919	158,593
555.186	Real-Time Over Collected Losses	(57,801)	(58,666)	(88,682)	(121,458)
555.1915	Real-Time Asset Congestion	502,191	147,253	106,884	1,525,941
555.1920	Auction Revenue Rights-Daily	(486,293)	(410,667)	(782,509)	(536,915)
555.1921	Auction Revenue Rights-Annual	0	0	(1,534,303)	0
	<u>Other</u>				
555.X	Purchased Power	1,273,616	1,315,516	1,328,606	1,374,998
555.5	Purchased Power Cogeneration	471	621	551	399
	Total Account 555 Energy	\$1,202,784	\$1,810,201	(\$1,498,288)	\$3,828,724