



A Subsidiary of MDU Resources Group, Inc.

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September 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
October 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 October 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 0.089 cents per kWh for primary service customers and an increase of 0.080 cents per kWh for secondary service customers for service rendered in the month of October 2024 from current effective rates as shown below. The per unit increase was the result of higher generation costs.

	<u>Primary</u>	<u>Secondary</u>
F&PP Effective October 1, 2024	\$0.02440	\$0.02421
F&PP Effective September 1, 2024	0.02351	0.02341
Change	\$0.00089	\$0.00080

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 94,160 electric customers in North Dakota as of August 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
OCTOBER 2024 ADJUSTMENT**

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.01642	\$0.01708
Prior Cost of Fuel	0.01553	0.01628
Change in Cost of Fuel	<u>\$0.00089</u>	<u>\$0.00080</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	 \$0.01642	 \$0.01708
Surcharge Adjustment	0.00798	0.00713
Total	<u><u>\$0.02440</u></u>	<u><u>\$0.02421</u></u>

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

	<u>Total 1/</u>	<u>Allocation to 2/ North Dakota</u>	<u>Allocation to 3/ Primary</u>	<u>Secondary</u>
Fuel & Purchased Power Cost				
Accounts 501 Coal and 547 Gas	\$9,758,112	\$6,862,734	\$1,307,937	\$5,554,797
Account 502 Reagent	637,353	448,241	85,428	362,813
Account 555 Energy	5,092,731	3,581,642	682,609	2,899,033
Accounts 555 Demand and 547 Pipeline Charges	1,930,902	1,404,525	218,114	1,186,411
Account 575 Market Admin.	148,643	104,538	19,923	84,615
Total F&PP Cost	<u>\$17,567,741</u>	<u>\$12,401,680</u>	<u>\$2,314,011</u>	<u>\$10,087,669</u>
Less:				
Wholesale Sales Revenue	\$597,409	\$420,149	\$80,074	\$340,075
Sale of RECs Revenue	635,798	456,779	87,055	369,724
Rate 45 Margin Sharing 4/	552,657	552,657	105,328	447,329
Total Revenue	<u>\$1,785,864</u>	<u>\$1,429,585</u>	<u>\$272,457</u>	<u>\$1,157,128</u>
Net System Cost	\$15,781,877	\$10,972,095	\$2,041,554	\$8,930,541
kWh Retail Sales	920,286,449	647,223,688	<u>124,359,383</u>	<u>522,864,305</u>
Cost Per kWh	\$0.01715	\$0.01695	<u><u>\$0.01642</u></u>	<u><u>\$0.01708</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
	May	June	July	August	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$1,864,830	\$2,711,857	\$2,766,281	\$2,415,144	\$9,758,112
Account 502 Reagent	84,636	148,405	213,579	190,733	637,353
Account 555 Energy 1/ Accounts 555 Demand and 547 Pipeline Charges	1,810,201	(1,498,288)	3,828,724	952,094	5,092,731
Account 575 Market Admin.	424,733	423,208	577,741	505,220	1,930,902
Total F&PP Cost	35,289	33,919	41,531	37,904	148,643
	<u>\$4,219,689</u>	<u>\$1,819,101</u>	<u>\$7,427,856</u>	<u>\$4,101,095</u>	<u>\$17,567,741</u>
Less:					
Wholesale Sales Revenue	\$126,554	\$218,131	\$107,628	\$145,096	\$597,409
Sale of RECs Revenue	0	0	636,511	(713)	635,798
Total Revenue	<u>\$126,554</u>	<u>\$218,131</u>	<u>\$744,139</u>	<u>\$144,383</u>	<u>\$1,233,207</u>
Net System Cost	\$4,093,135	\$1,600,970	\$6,683,717	\$3,956,712	\$16,334,534
kWh Retail Sales	218,321,810	203,357,164	233,880,975	264,726,500	<u>920,286,449</u>
Cost Per kWh	\$0.01875	\$0.00787	\$0.02858	\$0.01495	<u><u>\$0.01775</u></u>

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

Account No.	Account Description	2024			
		May	June	July	August
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$1,857,862	\$422,022	\$1,606,473	\$1,031,339
555.114	Real-Time Asset Energy	(78,872)	(113,649)	(49,980)	(116,419)
555.117	Real-Time Excessive Energy	85	(41)	(14)	(65)
555.118	Real-Time Non-Excessive Energy	23,595	203,767	688,948	131,064
555.1212	Day-Ahead Financial Bilateral Congestion Loss	169,397	(1,398)	23,108	81,915
555.1230	Revenue Rights Transaction	(1,141,422)	(1,006,690)	(1,006,690)	(1,006,690)
555.1232	Revenue Rights Infeasible Uplift	6,724	1,288	1,288	1,288
555.1233	Revenue Rights Stage 2 Distribution	(137,776)	(140,857)	(140,857)	(140,857)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(16,572)	(22,126)	24	(7,872)
555.132	Day-Ahead Financial Bilateral Transaction Loss	17,763	34,831	49,849	49,242
555.135	Real-Time Asset Loss	44,100	98,257	209,480	197,756
555.136	Real-Time Distribution of Loss	(19,540)	(35,852)	(37,405)	(35,038)
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	0	0	(5,185)	(3)
555.153	Real-Time Miscellaneous	972	520	(302)	(1,438)
555.154	Real-Time Net Inadvertent Distribution	2,177	(1,691)	(7,171)	(4,816)
555.155	Real-Time Revenue Neutrality Uplift	43,075	63,275	98,553	64,223
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	1,265	1,652	5,856	7,447
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	0	0	(4,691)	1,036
555.159	Day-Ahead Schedule 24	4,218	4,686	5,457	4,993
555.160	Real-Time Schedule 24	904	923	843	705
555.162	Real-Time Price Volatility Make Whole Payment	(18,435)	(14,714)	(20,823)	(11,607)
555.164	Real-Time Schedule 49	15,747	15,390	17,466	9,588
555.1700	Day-Ahead Regulation Amount	117	0	0	0
555.1701	Day-Ahead Spinning Reserve Amount	(15,225)	(24,323)	(11,186)	(26,156)
555.1702	Day-Ahead Supplemental Reserve Amount	(34)	26	(226)	(999)
555.1703	Day-Ahead Ramp Capability	(5,189)	(8,976)	(5,432)	(10,778)
555.1704	Day-Ahead Short Term Reserve Amount	(3,696)	(6,201)	(48,878)	(261,891)
555.1710	Real-Time Net Regulation Adjustment	21,528	(21,528)	0	(2)
555.1711	Real-Time Excessive Deficient Energy Deployment	39	1	74	479
555.1713	Real-Time Regulation Amount	(560)	79	0	(205)
555.1714	Real-Time Spinning Reserve Amount	(3,516)	(10,343)	(4,863)	1,187
555.1715	Real-Time Supplemental Reserve Amount	2	(156)	75	(1,086)
555.1716	Real-Time Regulation Cost Distribution	9,294	10,525	13,107	14,054
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	11,404	8,193	9,746	8,418
555.1718	Real-Time Supplemental Reserve Cost Distribution	1,074	753	4,563	2,450
555.1719	Real-Time Demand Response Allocation Uplift	23	70	3,309	5,952
555.1720	Real-Time Ramp Capability	(1,158)	(295)	(919)	(1,330)
555.1721	Real-Time Short Term Cost Distribution Amount	11,759	6,068	42,070	49,992
555.1723	Real-Time Short Term Reserve Amount	(2,162)	(240)	(8,501)	10,197
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	17,177	7,919	158,593	(61,290)
555.186	Real-Time Over Collected Losses	(58,666)	(88,682)	(121,458)	(72,807)
555.1915	Real-Time Asset Congestion	147,253	106,884	1,525,941	(22,693)
555.1920	Auction Revenue Rights-Daily	(410,667)	(782,509)	(536,915)	(312,417)
555.1921	Auction Revenue Rights-Annual	0	(1,534,303)	0	0
	<u>Other</u>				
555.X	Purchased Power	1,315,516	1,328,606	1,374,998	1,374,667
555.5	Purchased Power Cogeneration	621	551	399	561
	Total Account 555 Energy	\$1,810,201	(\$1,498,288)	\$3,828,724	\$952,094