



**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

November 1, 2024

Executive Secretary  
North Dakota Public Service Commission  
State Capitol Building  
Bismarck, ND 58505

**Re: Annual Update to the Generation Resource Recovery Rate 56 Tariff  
Case No. PU-24-\_\_\_\_\_**

Montana-Dakota Utilities Co. (Montana-Dakota) herewith submits for Commission approval an original and (7) copies of the Company’s Application to update its Generation Resource Recovery Rate (GRRR) 56 tariff pursuant to the terms of Rate 56 tariff which states that “[t]he GRRR will be adjusted annually to reflect the Company’s most recent projected capital costs and related expenses for projects determined to be recoverable under this schedule.” Montana-Dakota requests approval of its 3<sup>rd</sup> Revised Sheet No. 40.1 of its electric tariffs, provided herein as Exhibit 1, to be effective with service rendered on and after February 1, 2025.

Montana-Dakota is herein providing an update to its GRRR to illustrate projected costs through December 31, 2025. Pursuant to the Order in Case No. PU-24-177, regarding the Earnings Sharing Refund, the Company credited approximately \$4.9 million to the Lewis and Clark Unit I and Heskett Unit I and Unit II regulatory assets and reduced the annual amortization effective October 1, 2024. The total projected 2025 amortization is \$6,972,000. The 2025 GRRR includes the Financial Incentive related to its Power Purchase Agreement (PPA) pursuant to the Order in Case No. PU-21-373. The 2025 projected Financial Incentive allocated to North Dakota is \$8,075. Finally, the 2025 GRRR rates also reflect an under-recovered balance of the current GRRR costs of \$142,621. The total net cost is \$7,122,696. The total cost to be recovered through the rates represents an increase of \$49,270 from the revenues currently being collected under the GRRR. All costs to be recovered through the GRRR rates are currently not being recovered through Montana-Dakota’s North Dakota retail electric rates.

	Current Filing	Case No. PU-24-177	Variance
Amortization of L&C I and Heskett I & II	\$6,972,000	\$6,972,000	\$0
Revenue Requirement Financial Incentive	8,075	7,570	505
Under Recovery Balance:	142,621	93,856	48,765
	<u>\$7,122,696</u>	<u>\$7,073,426</u>	<u>\$49,270</u>

A residential customer using 800 kWh would see a total increase of \$0.08 per month or \$0.96 per year from that currently authorized charge under Rate 56. This change will constitute an increase of approximately 0.08% in a residential customer's total bill. The GRRR rates, as proposed, are shown below, along with the change from the current rates implemented October 1, 2024:

	<u>Proposed Rates</u>	<u>Current Rate</u>	<u>Change in GRRR Rates</u>
Residential / Small General/kWh	\$0.00385	\$0.00375	\$0.00010
Large General/kW	\$1.12977	\$1.13195	(\$0.00218)
Space Heating/kW	\$0.53777	\$0.51821	\$0.01956
Lighting/kWh	\$0.00127	\$0.00123	\$0.00004

On May 16, 2022 the Company filed a rate case with the Commission in Case No. PU-22-194. The Company proposed to move the revenue requirement related to the Lewis & Clark Unit I and Heskett Unit I and Unit II retirements into its GRRR. On July 14, 2022 the Commission approved the Company's interim request inclusive of a 10-year amortization of deferred costs of \$8,532,840. On June 6, 2023, the Commission approved the Company's settlement agreement for Case No. PU-22-194 with rates effective July 1, 2023. At that time, the revenue requirement for Lewis and Clark RICE moved into electric base rates and the amortization of the Lewis and Clark Unit I and Heskett Unit I and Unit II into the GRRR.

On August 17, 2021 the Company filed with the Commission for the approval of an Application of Rate Treatment of a Financial Incentive related to a Power Purchase Agreement pursuant to North Dakota Century Code ("N.D.C.C") § 49-06-02 in Case No. PU-21-373. Additionally, the Company requested to include this rate in the GRRR – Rate 56. On April 13, 2022 the Commission granted the Financial Incentive Rate to be included in the GRRR with an annual recovery rate of 0.79%.

Please refer all inquiries regarding this filing to:

Mr. Travis R. Jacobson  
 Director of Regulatory Affairs  
 Montana-Dakota Utilities Co.  
 400 North Fourth Street  
 Bismarck, ND 58501

Also, please send copies of all written inquiries, correspondence and pleadings to:


Ms. Allison Waldon  
Senior Attorney  
MDU Resources Group, Inc.  
P. O. Box 5650  
Bismarck, ND 58506-5650

Montana-Dakota's request includes a check for \$10,000 for the filing fees in this case. In the event the Commission deems an additional deposit is required, Montana-Dakota will submit the required fees.

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

Please contact me at 701.222.7855 or [travis.jacobson@mdu.com](mailto:travis.jacobson@mdu.com) with any questions.

Sincerely,



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 to Update its Generation Resource ) Case No. PU-24-\_\_\_\_  
Recovery Rider Rate 56 Tariff )

**I. Summary of Application**

Montana-Dakota Utilities Co. (Montana-Dakota or Company) herewith submits this Application to provide an update of its Generation Resource Recovery Rate 56 projected costs through December 2025 related to the amortization of Lewis & Clark Unit I and Heskett Unit I and Unit II and the Financial Incentive related to its Power Purchase Agreement (PPA). Montana-Dakota respectfully requests approval of its Generation Resource Recovery Rate 56 tariff 3<sup>rd</sup> Revised Sheet No. 40.1 to be effective with service rendered on and after February 1, 2025. In support of the Company's Application, Montana-Dakota is providing the following Exhibits:

- Exhibit 1 – Generation Resource Recovery Rate 56 3<sup>rd</sup> Revised Sheet No. 40.1
- Exhibit 2 – Generation Resource Recovery Rate Proposed Rates
- Exhibit 3 – Projected 2025 amortization of Lewis & Clark Unit I and Heskett Unit I and Unit II Revenue Requirement
- Exhibit 4 – Projected 2025 PPA Incentive Revenue Requirement
- Exhibit 5 – Balancing Account Summary with Carrying Charge Calculation, 2023 and 2024 Monthly Revenue Requirement Calculation
- Exhibit 6 – Customer Filing Notice

**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 N.D.C.C 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 94,164 customers in North Dakota as of September 30, 2024.

### **III. Background of Generation Resource Recovery Rider Rate 56**

On February 27, 2014, Montana-Dakota filed an application with the Commission for approval of a Generation Resource Recovery Rider (GRRR) tariff and proposed rates in Case Nos. PU-14-108 and PU-14-109 in order to recover North Dakota's share of the Company's investment in the Heskett III Combustion Turbine Station (Heskett III). On July 24, 2014, an amended Settlement Agreement was submitted to the Commission revising the administration of the rates to exclude the lighting rate schedules and special contract customers. On August 20, 2014, the Commission approved the amended Settlement Agreement. On November 14, 2014, Montana-Dakota filed its first GRRR rates under Rate 56. The Commission approved the GRRR rates on January 7, 2015 and they were implemented on January 9, 2015. Pursuant to the Settlement in Case No. PU-16-666 approved by the Commission on June 16, 2017, Lewis & Clark RICE units are recovered through the GRRR rider rates and were effective with service rendered on and after August 7, 2017. On April 13, 2022, in Case No. PU-21-373, the Commission issued an order allowing a Financial Incentive Rate to be included in the GRRR with an annual recovery rate of 0.79%. Effective July 1, 2023,

in Case No. PU-22-194, the Commission authorized the movement of Lewis & Clark RICE into base rates and the revenue requirement associated with the amortization of deferred costs related to the retirement of Lewis and Clark Unit I and the Heskett Unit I and Unit II into the GRRR. On September 27, 2024, in Case No. PU-24-177, the Commission approved the 2023 Earnings Sharing Refund Plan. Effective October 1, 2024, the Company's shared revenue, based on that reported in the 2023 North Dakota Electric Annual Report, was applied as a credit to the Lewis & Clark Unit I and Heskett Units I & II regulatory asset balances and the amortization of those assets was reduced to \$6,972,000.

Montana-Dakota's currently authorized GRRR rates reflect the return approved in Case No. PU-22-194.

The Company is proposing the rates proposed herein be effective with service rendered on and after February 1, 2025.

#### **IV. Calculation of the Proposed GRRR Rates**

The following exhibits are included herein in support of the Company's proposed GRRR rates and in accordance with the Company's Rate 56 tariff:

- *Exhibit 2* shows the derivation of the proposed GRRR rates and the allocation of the total costs to each of the rate classes, including all special contracts. Total costs to be recovered, \$7,122,696, include the projected 2025 revenue requirement for the amortization of the Lewis & Clark Unit I and the Heskett Unit I and Unit II, the Financial Incentive related to the Power Purchase Agreement, and a projected under-recovered balance of \$142,621. Projected costs are then

allocated to the rate classes based on the Company's Demand - 12 CP Factor No. 2 from Case No. PU-22-194.

- *Exhibit 3* shows the projected monthly revenue requirements for Lewis & Clark Unit I and Heskett Unit I and Unit II associated with the amortization of deferred costs for year ending December 2025. The revenue requirement is comprised of:
  - Total rate base of \$22,127,425.
  - Return: reflective of the projected 2025 Capital Structure and a Return on Equity of 9.75% authorized in the Company's last electric rate case (Case No. PU-22-194).
  - Amortization of Employee Related and Other costs over 36 months.
  - Income Taxes: current federal and state income tax rates
- *Exhibit 4* shows the projected monthly revenue requirements for the Financial Incentive related to the Power Purchase agreement for the year ending December 2025.
- *Exhibit 5* shows the projected GRRR Balancing Account (per Paragraph 2d of Rate 56).
- *Exhibit 6* shows the proposed Customer Filing Notice with GRRR rates to be effective with service rendered on and after February 1, 2025.

## **V. Estimated Impact by Customer Class**

As shown in Exhibit 2, Montana-Dakota's projected 2025 costs to be recovered under the GRRR rates are \$7,122,696. A residential customer using 800 kWh would

see an increase of \$0.08 per month, or \$0.96 annually. Montana-Dakota requests approval of the following GRRR rates to be effective February 1, 2025.

	<u>Proposed Rates</u>	<u>Current Rate</u>	<u>Change in GRRR Rates</u>
Residential / Small General/kWh	\$0.00385	\$0.00375	\$0.00010
Large General/kW	\$1.12977	\$1.13195	(\$0.00218)
Space Heating/kW	\$0.53777	\$0.51821	\$0.01956
Lighting/kWh	\$0.00127	\$0.00123	\$0.00004

Montana-Dakota’s request includes a check for \$10,000 for the filing fees in this case. In the event the Commission deems an additional deposit is required, Montana-Dakota will submit the required fees.

### **VI. Conclusion**

Montana-Dakota respectfully requests that the Commission approve this annual update to the Company’s GRRR rates applicable under Generation Resource Recovery Rider Rate 56 tariff to be effective with service rendered on and after February 1, 2025.

Dated this 1<sup>st</sup> day of November 2024.

Travis R. Jacobson  
Director of Regulatory Affairs

Of Counsel:

Allison Waldon  
Senior Attorney  
MDU Resources Group, Inc.  
P.O. Box 5650  
Bismarck, ND 58506-5650



# **Exhibit 1**



# Montana-Dakota Utilities Co.

400 N 4<sup>th</sup> Street  
Bismarck, ND 58501

## State of North Dakota Electric Rate Schedule

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NDPSC Volume 5

3<sup>rd</sup> Revised Sheet No. 40.1

Canceling 2<sup>nd</sup> Revised Sheet No. 40.1

### **GENERATION RESOURCE RECOVERY RIDER Rate 56**

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#### **2. Generation Resource Recovery Rider:**

Residential & Small General	0.385¢ per Kwh
Large General	112.977¢ per KW
General Space Heating Rate 32	53.777¢ per KW
Lighting	0.127¢ per Kwh

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**Date Filed:** November 1, 2024

**Effective Date:** Service rendered on and after

**Issued By:** Travis R. Jacobson  
Director – Regulatory Affairs

**Case No.:** PU-24-

## Tariffs Reflecting Proposed Changes



# Montana-Dakota Utilities Co.

400 N 4<sup>th</sup> Street  
Bismarck, ND 58501

## State of North Dakota Electric Rate Schedule

NDPSC Volume 5

~~2<sup>nd</sup>~~ 3<sup>rd</sup> Revised Sheet No. 40.1

Canceling ~~1<sup>st</sup>~~ 2<sup>nd</sup> Revised Sheet No. 40.1

### GENERATION RESOURCE RECOVERY RIDER Rate 56

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#### 2. Generation Resource Recovery Rider:

Residential & Small General	<del>0.375</del> <u>0.385</u> ¢ per Kwh
Large General	<del>113.195</del> <u>112.977</u> ¢ per KW
General Space Heating Rate 32	<del>51.824</del> <u>53.777</u> ¢ per KW
Lighting	<del>0.123</del> <u>0.127</u> ¢ per Kwh

**Date Filed:** ~~September 25~~November 1, 2024

**Effective Date:** Service rendered on and after ~~October 1, 2024~~

**Issued By:** Travis R. Jacobson  
Director – Regulatory Affairs

**Case No.:** PU-24-~~177~~

**Montana-Dakota Utilities Co.  
Electric Utility - North Dakota  
Generation Resource Recovery Rider  
Proposed 2025 Generation Rider Rates**

	<u>Total</u>
Amortization of Lewis & Clark Unit I and Heskett Units I & II 1/	\$6,972,000
Projected 2025 Revenue Requirement PPA 2/	8,075
Projected January 2025 (Over)/Under Collection 3/	<u>142,621</u>
Total Cost to be Recovered through GRRR Rates	<u><u>\$7,122,696</u></u>

<u>Allocation of Costs &amp; Proposed Rates</u>	<u>Allocated GRRR Costs 4/</u>	<u>Projected Billing Determinants</u>	<u>Proposed GRRR Rates</u>
Residential & Small General	\$3,297,619	856,392,158 kWh	\$0.00385 per kWh
Large General	3,658,597	3,238,346 kW	\$1.12977 per kW
Space Heating Rate 32	145,891	271,287 kW	\$0.53777 per kW
Lighting	<u>20,589</u>	16,259,202 kWh	\$0.00127 per kWh
	<u><u>\$7,122,696</u></u>		

<u>Change in Rates</u>	<u>Proposed GRRR Rates</u>	<u>Current GRRR Rates 5/</u>	<u>Change in GRRR Rates</u>
Residential & Small General	\$0.00385	\$0.00375	\$0.00010
Large General	\$1.12977	\$1.13195	(\$0.00218)
Space Heating Rate 32	\$0.53777	\$0.51821	\$0.01956
Lighting	\$0.00127	\$0.00123	\$0.00004

1/ Exhibit 3

2/ Exhibit 4

3/ Exhibit 5

4/ Demand Allocation Factor 2:

Residential & Small General	46.297343%	(Rates 10, 13, 16, 20, 25, 26, and 40)
Large General	51.365337%	(Rates 30, 31, 38, 48, and contracts)
Space Heating Rate 32	2.048257%	(Rate 32)
Lighting	<u>0.289063%</u>	(Rates 41, 52)
	<u><u>100.000000%</u></u>	

5/ Current GRRR rates effective October 1, 2024 in Case No. PU-24-177.

**Montana-Dakota Utilities Co.  
Electric Utility - North Dakota  
Generation Resource Recovery Rider  
Revenue Requirement - Regulatory Assets Recovery  
Projected Year End 2025**

	Projected												
	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	
<b>Rate Base</b>													
Net Reg Asset - L&C	\$12,032,672	\$11,876,187	\$11,718,826	\$11,560,585	\$11,401,460	\$11,241,444	\$11,080,535	\$10,918,726	\$10,756,012	\$10,592,388	\$10,427,850	\$10,262,392	
Net Reg Asset - Heskett	13,327,703	13,249,193	13,170,243	13,028,432	12,885,830	12,742,430	12,598,227	12,453,219	12,307,401	12,160,767	12,013,312	11,865,033	
Total Rate Base	\$25,360,375	\$25,125,380	\$24,889,069	\$24,589,017	\$24,287,290	\$23,983,874	\$23,678,762	\$23,371,945	\$23,063,413	\$22,753,155	\$22,441,162	\$22,127,425	
<b>Return on Rate Base 1/</b>	\$154,191	\$152,762	\$151,325	\$149,501	\$147,667	\$145,822	\$143,967	\$142,102	\$140,226	\$138,339	\$136,442	\$134,534	
<b>L&amp;C and Heskett Revenue</b>	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$581,000	\$6,972,000
<b>Expenses</b>													
Amortization - L&C	\$207,004	\$208,163	\$209,327	\$210,497	\$211,674	\$212,857	\$214,047	\$215,244	\$216,447	\$217,657	\$218,875	\$220,099	
Amortization - Heskett	186,427	187,008	187,592	188,640	189,695	190,756	191,822	192,894	193,973	195,059	196,149	197,246	
Total Expenses	\$393,431	\$395,171	\$396,919	\$399,137	\$401,369	\$403,613	\$405,869	\$408,138	\$410,420	\$412,716	\$415,024	\$417,345	
Income before Taxes (EBIT)	\$187,569	\$185,829	\$184,081	\$181,863	\$179,631	\$177,387	\$175,131	\$172,862	\$170,580	\$168,284	\$165,976	\$163,655	
Interest Expense 1/	50,805	50,335	49,861	49,260	48,656	48,047	47,436	46,822	46,204	45,582	44,957	44,329	
Taxable income	\$136,764	\$135,494	\$134,220	\$132,603	\$130,975	\$129,340	\$127,695	\$126,040	\$124,376	\$122,702	\$121,019	\$119,326	
Income Taxes 2/	\$33,378	\$33,067	\$32,756	\$32,362	\$31,964	\$31,565	\$31,164	\$30,760	\$30,354	\$29,945	\$29,534	\$29,121	
Net Income Taxes	\$33,378	\$33,067	\$32,756	\$32,362	\$31,964	\$31,565	\$31,164	\$30,760	\$30,354	\$29,945	\$29,534	\$29,121	
Operating Income	\$154,191	\$152,762	\$151,325	\$149,501	\$147,667	\$145,822	\$143,967	\$142,102	\$140,226	\$138,339	\$136,442	\$134,534	
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity:  
2025

	Ratio	Cost	
Long Term Debt	44.735%	4.728%	2.115%
Short Term Debt	5.088%	5.681%	0.289%
Common Equity	50.177%	9.750%	4.892%
	100.000%		7.296%

2/ 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**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Lewis & Clark Unit I Regulatory Assets Recovery**  
**Projected Year End 2025**

	Projected												Average Balance
	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	
<b>Rate Base</b>													
Deferred Depreciation Asset	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587
Decommissioning	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861
Margin Sharing Credit	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)	(2,380,788)
Excess ADIT Amortization	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)
Accumulated Amortization	(13,906,952)	(14,113,956)	(14,322,119)	(14,531,446)	(14,741,943)	(14,953,617)	(15,166,474)	(15,380,521)	(15,595,765)	(15,812,212)	(16,029,869)	(16,248,744)	
Net Rate Base	\$15,917,264	\$15,710,260	\$15,502,097	\$15,292,770	\$15,082,273	\$14,870,599	\$14,657,742	\$14,443,695	\$14,228,451	\$14,012,004	\$13,794,347	\$13,575,472	\$14,757,248
Accumulated ADIT	3,884,592	3,834,073	3,783,271	3,732,185	3,680,813	3,629,155	3,577,207	3,524,969	3,472,439	3,419,616	3,366,497	3,313,080	
Total Regulatory Asset	\$12,032,672	\$11,876,187	\$11,718,826	\$11,560,585	\$11,401,460	\$11,241,444	\$11,080,535	\$10,918,726	\$10,756,012	\$10,592,388	\$10,427,850	\$10,262,392	\$11,155,757
<b>Return on Rate Base 1/</b>	<b>\$73,159</b>	<b>\$72,207</b>	<b>\$71,250</b>	<b>\$70,288</b>	<b>\$69,321</b>	<b>\$68,348</b>	<b>\$67,370</b>	<b>\$66,386</b>	<b>\$65,397</b>	<b>\$64,402</b>	<b>\$63,401</b>	<b>\$62,395</b>	<b>\$813,924</b>
<b>L&amp;C Revenue</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$3,552,000</b>
<b>Expenses</b>													<b>Total</b>
Amortization - Deferred Asset	\$207,004	\$208,163	\$209,327	\$210,497	\$211,674	\$212,857	\$214,047	\$215,244	\$216,447	\$217,657	\$218,875	\$220,099	
Amortization - Employee Related	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	\$207,004	\$208,163	\$209,327	\$210,497	\$211,674	\$212,857	\$214,047	\$215,244	\$216,447	\$217,657	\$218,875	\$220,099	\$2,561,891
Income before Taxes (EBIT)	\$88,996	\$87,837	\$86,673	\$85,503	\$84,326	\$83,143	\$81,953	\$80,756	\$79,553	\$78,343	\$77,125	\$75,901	
Interest Expense	24,105	23,792	23,477	23,160	22,841	22,520	22,198	21,874	21,548	21,220	20,890	20,559	
Taxable income	\$64,891	\$64,045	\$63,196	\$62,343	\$61,485	\$60,623	\$59,755	\$58,882	\$58,005	\$57,123	\$56,235	\$55,342	\$721,925
Income Taxes 2/	\$15,837	\$15,630	\$15,423	\$15,215	\$15,005	\$14,795	\$14,583	\$14,370	\$14,156	\$13,941	\$13,724	\$13,506	
Net Income Taxes	\$15,837	\$15,630	\$15,423	\$15,215	\$15,005	\$14,795	\$14,583	\$14,370	\$14,156	\$13,941	\$13,724	\$13,506	\$176,185
Operating Income	\$73,159	\$72,207	\$71,250	\$70,288	\$69,321	\$68,348	\$67,370	\$66,386	\$65,397	\$64,402	\$63,401	\$62,395	\$813,924
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity:  
2025

	Ratio	Cost	
Long Term Debt	44.735%	4.728%	2.115%
Short Term Debt	5.088%	5.681%	0.289%
Common Equity	50.177%	9.750%	4.892%
	100.000%		7.296%

2/ 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**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Heskett Unit I & II Regulatory Assets Recovery**  
**Projected Year End 2025**

	Projected												Average Balance
	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025	July 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	
<b>Rate Base</b>													
Deferred Depreciation Asset	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700
Decommissioning	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318	5,816,318
Margin Sharing Credit	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)	(2,471,465)
Excess ADIT Amortization	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)
Accumulated Amortization	(8,088,195)	(8,192,052)	(8,296,490)	(8,484,082)	(8,672,722)	(8,862,417)	(9,053,173)	(9,244,995)	(9,437,889)	(9,631,862)	(9,826,921)	(10,023,070)	
Net Rate Base	\$17,630,380	\$17,526,523	\$17,422,085	\$17,234,493	\$17,045,853	\$16,856,158	\$16,665,402	\$16,473,580	\$16,280,686	\$16,086,713	\$15,891,654	\$15,695,505	\$16,734,086
Accumulated ADIT	4,302,677	4,277,330	4,251,842	4,206,061	4,160,023	4,113,728	4,067,175	4,020,361	3,973,285	3,925,946	3,878,342	3,830,472	
Total Regulatory Asset	\$13,327,703	\$13,249,193	\$13,170,243	\$13,028,432	\$12,885,830	\$12,742,430	\$12,598,227	\$12,453,219	\$12,307,401	\$12,160,767	\$12,013,312	\$11,865,033	\$12,650,149
<b>Return on Rate Base 1/</b>	<b>\$81,032</b>	<b>\$80,555</b>	<b>\$80,075</b>	<b>\$79,213</b>	<b>\$78,346</b>	<b>\$77,474</b>	<b>\$76,597</b>	<b>\$75,716</b>	<b>\$74,829</b>	<b>\$73,937</b>	<b>\$73,041</b>	<b>\$72,139</b>	\$922,954
<b>Heskett Revenue</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$3,420,000</b>
<b>Expenses</b>													Total
Amortization - Deferred Asset	\$103,857	\$104,438	\$187,592	\$188,640	\$189,695	\$190,756	\$191,822	\$192,894	\$193,973	\$195,059	\$196,149	\$197,246	
Amortization - Employee Related	75,835	75,835	0	0	0	0	0	0	0	0	0	0	
Amortization - Other	6,735	6,735	0	0	0	0	0	0	0	0	0	0	
Total Expenses	\$186,427	\$187,008	\$187,592	\$188,640	\$189,695	\$190,756	\$191,822	\$192,894	\$193,973	\$195,059	\$196,149	\$197,246	\$2,297,261
Income before Taxes (EBIT)	\$98,573	\$97,992	\$97,408	\$96,360	\$95,305	\$94,244	\$93,178	\$92,106	\$91,027	\$89,941	\$88,851	\$87,754	
Interest Expense	26,700	26,543	26,384	26,100	25,815	25,527	25,238	24,948	24,656	24,362	24,067	23,770	
Taxable income	\$71,873	\$71,449	\$71,024	\$70,260	\$69,490	\$68,717	\$67,940	\$67,158	\$66,371	\$65,579	\$64,784	\$63,984	\$818,629
Income Taxes 2/	\$17,541	\$17,437	\$17,333	\$17,147	\$16,959	\$16,770	\$16,581	\$16,390	\$16,198	\$16,004	\$15,810	\$15,615	
Net Income Taxes	\$17,541	\$17,437	\$17,333	\$17,147	\$16,959	\$16,770	\$16,581	\$16,390	\$16,198	\$16,004	\$15,810	\$15,615	\$199,785
Operating Income	\$81,032	\$80,555	\$80,075	\$79,213	\$78,346	\$77,474	\$76,597	\$75,716	\$74,829	\$73,937	\$73,041	\$72,139	\$922,954
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity:

	2025		
	Ratio	Cost	
Long Term Debt	44.735%	4.728%	2.115%
Short Term Debt	5.088%	5.681%	0.289%
Common Equity	50.177%	9.750%	4.892%
	100.000%		7.296%

2.404%

2/ Income Tax Rate:

	2024
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**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Power Purchase Agreement Incentive**  
**Projected Year End 2025**

	Projected 2025												
	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025	July 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	
<b>Power Purchase Agreement</b>													
Capacity													
Energy													
Total PPA													
Allocated to North Dakota 1/	\$1,010,799	\$918,259	\$1,010,799	\$979,952	\$1,010,799	\$1,029,421	\$1,061,553	\$1,061,553	\$1,029,421	\$1,061,553	\$1,029,421	\$1,061,553	
<b>Incentive Rate 2/</b>	<b>\$665</b>	<b>\$605</b>	<b>\$665</b>	<b>\$645</b>	<b>\$665</b>	<b>\$678</b>	<b>\$699</b>	<b>\$699</b>	<b>\$678</b>	<b>\$699</b>	<b>\$678</b>	<b>\$699</b>	<b>\$8,075</b>

1/ Factor 15-Integrated System 12 Month Peak Demand 72.739303% Capacity  
 Factor 16-Integrated System Kwh Sales 71.404145% Energy

2/ Authorized Financial Incentive Rate: 0.790%

Montana-Dakota Utilities Co.  
Electric Utility - North Dakota  
Generation Resource Cost Adjustment  
Balancing Account and Carry Charge Calculation

	Cumulative								Grand Total (Over)/Under Collection 4/
	Beginning Balance	Revenue Requirement 1/	Revenue Collections	Ending Balance 2/	Carrying Charge Calculation			Carrying Charge 3/	
					Deferred Income Tax	Net Balance	Rate 3/		
September 2023									\$111,328
October	\$111,328	653,347	591,309	173,366	42,310	131,056	5.3400%	\$495	173,861
November	173,366	653,327	605,706	220,987	53,932	167,055	5.2700%	576	222,058
December	220,987	653,357	664,128	210,216	51,303	158,913	5.2400%	729	212,016
January 2024	210,216	653,406	769,003	94,619	23,092	71,527	5.2200%	691	97,110
February	94,619	653,329	703,098	44,850	10,946	33,904	5.2400%	312	47,653
March	44,850	653,347	666,462	31,735	7,745	23,990	5.2400%	148	34,686
April	31,735	653,328	646,914	38,149	9,310	28,839	5.2400%	105	41,205
May	38,149	653,347	584,045	107,451	26,223	81,228	5.2500%	126	110,633
June	107,451	653,403	554,900	205,954	50,263	155,691	5.2400%	355	209,491
July	205,954	653,424	626,730	232,648	56,778	175,870	5.2000%	675	236,860
August	232,648	653,380	702,394	183,634	44,816	138,818	5.0500%	740	188,586
September	183,634	653,360	646,479	190,515	46,495	144,020	4.7200%	546	196,013
October - Est.	190,515	581,665	524,232	247,948	60,511	187,437	4.7200%	566	254,012
November - Est.	247,948	581,645	532,064	297,529	72,612	224,917	4.7200%	737	304,330
December - Est.	297,529	581,665	625,868	253,326	61,824	191,502	4.7200%	885	261,012
January 2025 -Est.	253,326	581,665	700,809	134,182	32,747	101,435	4.7200%	753	142,621
Total		10,166,995	\$10,144,141					\$8,439	

1/ Monthly revenue requirement.

	Amortization L&C/Heskett Revenue Req. 5/	PPA Incentive Revenue Requirement 6/	Total Revenue Requirement
October 2023	652,715	632	653,347
November	652,715	612	653,327
December	652,715	642	653,357
January 2024	652,715	691	653,406
February	652,715	614	653,329
March	652,715	632	653,347
April	652,715	613	653,328
May	652,715	632	653,347
June	652,715	688	653,403
July	652,715	709	653,424
August	652,715	665	653,380
September	652,715	645	653,360
October - Est.	581,000	665	581,665
November - Est.	581,000	645	581,645
December - Est.	581,000	665	581,665
January 2025 -Est.	581,000	665	581,665
Total	\$10,156,580	\$10,415	10,166,995

2/ (Over)/Under collection on revenue requirement not including the carrying charge, for use in calculating the carrying charge.

3/ Carrying charges calculated based on the three-month Treasury Bill rate, based on prior month ending balance.

4/ Ending (Over)/Under balance per Case No. PU-23-339, Exhibit 5, page 1.

5/ See pages 2-5.

6/ See page 6.

**Montana-Dakota Utilities Co.**  
**Electric Utility - North Dakota**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Heskett Unit I & II Regulatory Assets Recovery**  
**Actual Year End 2023**

	Actual from Prior Filing									Actual			Average Balance
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	July 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	
<b>Rate Base</b>													
Deferred Depreciation Asset	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	
Decommissioning	2,863,134	2,856,610	2,849,876	2,898,801	3,127,919	3,690,989	3,781,403	3,959,604	4,211,831	4,692,746	5,124,152	5,784,260	
Excess ADIT Amortization	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	
Accumulated Amortization	(4,875,703)	(5,053,664)	(5,232,633)	(5,403,474)	(5,574,981)	(5,746,173)	(5,915,223)	(6,057,983)	(6,200,108)	(6,341,533)	(6,481,163)	(6,619,185)	
Net Rate Base	\$20,361,153	\$20,176,668	\$19,990,965	\$19,869,049	\$19,926,660	\$20,318,538	\$20,239,902	\$20,275,343	\$20,385,445	\$20,724,935	\$21,016,711	\$21,538,797	\$20,402,014
Accumulated ADIT	4,969,119	4,924,096	4,878,775	4,849,022	4,863,081	4,958,719	4,939,528	4,948,177	4,975,047	5,057,900	5,129,107	5,256,522	
Total Regulatory Asset	\$15,392,034	\$15,252,572	\$15,112,190	\$15,020,027	\$15,063,579	\$15,359,819	\$15,300,374	\$15,327,166	\$15,410,398	\$15,667,035	\$15,887,604	\$16,282,275	\$15,422,923
<b>Return on Rate Base 1/</b>	<b>\$91,518</b>	<b>\$90,689</b>	<b>\$89,855</b>	<b>\$89,307</b>	<b>\$89,566</b>	<b>\$91,327</b>	<b>\$91,611</b>	<b>\$91,771</b>	<b>\$92,270</b>	<b>\$93,806</b>	<b>\$95,127</b>	<b>\$97,490</b>	\$1,104,337
<b>Heskett Revenue</b>	<b>\$338,539</b>	<b>\$338,539</b>	<b>\$338,539</b>	<b>\$338,539</b>	<b>\$338,539</b>	<b>\$338,539</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	
<b>Expenses</b>													Total
Amortization - Deferred Asset	\$177,961	\$178,969	\$170,841	\$171,507	\$171,192	\$169,050	\$142,760	\$142,125	\$141,425	\$139,630	\$138,022	\$116,750	
Amortization - Employee Related	45,149	45,149	54,292	54,292	54,292	54,292	54,292	54,732	54,825	54,991	54,991	73,387	
Amortization - Other	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	4,105	3,864	3,864	3,864	
Total Expenses	\$227,215	\$228,223	\$229,238	\$229,904	\$229,589	\$227,447	\$201,157	\$200,962	\$200,355	\$198,485	\$196,877	\$194,001	\$2,563,453
Income before Taxes (EBIT)	\$111,324	\$110,316	\$109,301	\$108,635	\$108,950	\$111,092	\$111,505	\$111,700	\$112,307	\$114,177	\$115,785	\$118,661	
Interest Expense	30,168	29,895	29,620	29,439	29,525	30,105	29,989	30,041	30,204	30,707	31,140	31,913	
Taxable income	\$81,156	\$80,421	\$79,681	\$79,196	\$79,425	\$80,987	\$81,516	\$81,659	\$82,103	\$83,470	\$84,645	\$86,748	\$981,007
Income Taxes 2/	\$19,806	\$19,627	\$19,446	\$19,328	\$19,384	\$19,765	\$19,894	\$19,929	\$20,037	\$20,371	\$20,658	\$21,171	
Net Income Taxes	\$19,806	\$19,627	\$19,446	\$19,328	\$19,384	\$19,765	\$19,894	\$19,929	\$20,037	\$20,371	\$20,658	\$21,171	\$239,416
Operating Income	\$91,518	\$90,689	\$89,855	\$89,307	\$89,566	\$91,327	\$91,611	\$91,771	\$92,270	\$93,806	\$95,127	\$97,490	\$1,104,337
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity: (January - June 2023)

	Ratio	Cost	
Long Term Debt	44.534%	4.503%	2.005%
Short Term Debt	5.900%	5.887%	0.347%
Common Equity	49.566%	9.650%	4.783%
	100.000%		7.135%

1/ Projected Capital Structure with Authorized Return on Equity: (July - December 2023)

	2023		
	Ratio	Cost	
Long Term Debt	44.534%	4.503%	2.005%
Short Term Debt	5.900%	5.887%	0.347%
Common Equity	49.566%	9.750%	4.833%
	100.000%		7.185%

2/ Income Tax Rate:

	2023
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**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Heskett Unit I & II Regulatory Assets Recovery**  
**Actual/Projected Year End 2024**

	Actual									Projected			Average Balance
	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024	July 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	
<b>Rate Base</b>													
Deferred Depreciation Asset	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	\$24,504,700	
Decommissioning	5,978,451	5,789,668	5,775,339	5,776,766	5,812,133	5,792,994	5,813,978	5,814,136	5,815,227	5,816,318	5,816,318	5,816,318	
Margin Sharing Credit													
Excess ADIT Amortization	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	(2,130,978)	
Accumulated Amortization	(6,735,935)	(6,850,160)	(6,965,727)	(7,081,638)	(7,197,771)	(7,313,898)	(7,430,272)	(7,547,179)	(7,664,738)	(7,780,077)	(7,882,211)	(7,984,916)	
Net Rate Base	\$21,616,238	\$21,313,230	\$21,183,334	\$21,068,850	\$20,988,084	\$20,852,818	\$20,757,428	\$20,640,679	\$20,524,211	\$17,938,498	\$17,836,364	\$17,733,659	\$20,204,449
Accumulated ADIT	5,275,421	5,201,472	5,169,771	5,141,832	5,122,121	5,089,109	5,065,830	5,037,337	5,008,913	4,377,872	4,352,947	4,327,882	
Total Regulatory Asset	\$16,340,817	\$16,111,758	\$16,013,563	\$15,927,018	\$15,865,963	\$15,763,709	\$15,691,598	\$15,603,342	\$15,515,298	\$13,560,626	\$13,483,417	\$13,405,777	\$15,273,574
<b>Return on Rate Base 1/</b>	<b>\$99,352</b>	<b>\$97,959</b>	<b>\$97,362</b>	<b>\$96,836</b>	<b>\$96,465</b>	<b>\$95,843</b>	<b>\$95,405</b>	<b>\$94,868</b>	<b>\$94,333</b>	<b>\$82,449</b>	<b>\$81,979</b>	<b>\$81,507</b>	\$1,114,358
<b>Heskett Revenue</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$312,662</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>\$3,668,958</b>
<b>Expenses</b>													Total
Amortization - Deferred Asset	\$114,225	\$115,567	\$115,911	\$116,133	\$116,127	\$116,374	\$116,907	\$117,559	\$115,339	\$102,134	\$102,705	\$103,279	
Amortization - Employee Related	73,715	74,068	74,450	74,867	75,325	75,835	75,835	75,835	75,835	75,835	75,835	75,835	
Amortization - Other	3,864	3,864	3,864	3,864	3,864	3,864	3,864	3,864	6,735	6,735	6,735	6,735	
Total Expenses	\$191,804	\$193,499	\$194,225	\$194,864	\$195,316	\$196,073	\$196,606	\$197,258	\$197,909	\$184,704	\$185,275	\$185,849	\$2,313,382
Income before Taxes (EBIT)	\$120,858	\$119,163	\$118,437	\$117,798	\$117,346	\$116,589	\$116,056	\$115,404	\$114,753	\$100,296	\$99,725	\$99,151	
Interest Expense	32,736	32,277	32,081	31,907	31,785	31,580	31,436	31,259	31,082	27,166	27,012	26,856	
Taxable income	\$88,122	\$86,886	\$86,356	\$85,891	\$85,561	\$85,009	\$84,620	\$84,145	\$83,671	\$73,130	\$72,713	\$72,295	\$988,399
Income Taxes 2/	\$21,506	\$21,204	\$21,075	\$20,962	\$20,881	\$20,746	\$20,651	\$20,536	\$20,420	\$17,847	\$17,746	\$17,644	
Net Income Taxes	\$21,506	\$21,204	\$21,075	\$20,962	\$20,881	\$20,746	\$20,651	\$20,536	\$20,420	\$17,847	\$17,746	\$17,644	\$241,218
Operating Income	\$99,352	\$97,959	\$97,362	\$96,836	\$96,465	\$95,843	\$95,405	\$94,868	\$94,333	\$82,449	\$81,979	\$81,507	\$1,114,358
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity:

	2024		
	Ratio	Cost	
Long Term Debt	44.735%	4.728%	2.115%
Short Term Debt	5.088%	5.681%	0.289%
Common Equity	50.177%	9.750%	4.892%
	100.000%		7.296%
			2.404%

2/ Income Tax Rate:

	2024
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**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Lewis & Clark Unit I Regulatory Assets Recovery**  
**Actual Year End 2023**

	Actual from Prior Filing									Actual			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	
<b>Rate Base</b>													
Deferred Depreciation Asset	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	
Decommissioning	6,248,870	6,248,870	6,248,870	6,248,870	6,248,870	6,248,870	6,248,870	6,249,243	6,250,553	6,264,923	6,264,923	6,040,084	
Excess ADIT Amortization	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	
Accumulated Amortization	(9,080,368)	(9,282,091)	(9,484,819)	(9,688,549)	(9,893,393)	(10,099,357)	(10,306,446)	(10,481,268)	(10,657,047)	(10,833,794)	(11,011,435)	(11,190,055)	
Net Rate Base	\$23,298,645	\$23,096,922	\$22,894,194	\$22,690,464	\$22,485,620	\$22,279,656	\$22,072,940	\$21,899,428	\$21,723,649	\$21,561,272	\$21,383,631	\$20,980,172	\$22,197,216
Accumulated ADIT	5,686,011	5,636,781	5,587,305	5,537,585	5,487,593	5,437,328	5,386,879	5,344,534	5,301,635	5,262,007	5,218,654	5,120,190	
Total Regulatory Asset	\$17,612,634	\$17,460,141	\$17,306,889	\$17,152,879	\$16,998,027	\$16,842,328	\$16,686,061	\$16,554,894	\$16,422,014	\$16,299,265	\$16,164,977	\$15,859,982	\$16,780,008
<b>Return on Rate Base 1/</b>	<b>\$104,722</b>	<b>\$103,815</b>	<b>\$102,904</b>	<b>\$101,988</b>	<b>\$101,067</b>	<b>\$100,142</b>	<b>\$99,908</b>	<b>\$99,122</b>	<b>\$98,327</b>	<b>\$97,592</b>	<b>\$96,788</b>	<b>\$94,962</b>	<b>\$1,201,337</b>
<b>L&amp;C Revenue</b>	<b>\$372,531</b>	<b>\$372,531</b>	<b>\$372,531</b>	<b>\$372,531</b>	<b>\$372,531</b>	<b>\$372,531</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	
<b>Expenses</b>													Total
Amortization - Deferred Asset	\$201,723	\$202,728	\$203,730	\$204,844	\$205,964	\$207,089	\$174,822	\$175,779	\$176,747	\$177,641	\$178,620	\$180,842	
Amortization - Employee Related	41,475	41,574	41,680	41,680	41,680	41,680	41,680	41,680	41,680	41,680	41,680	41,680	
Amortization - Other	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	1,947	
Total Expenses	\$245,145	\$246,249	\$247,357	\$248,471	\$249,591	\$250,716	\$218,449	\$219,406	\$220,374	\$221,268	\$222,247	\$224,469	\$2,813,742
Income before Taxes (EBIT)	\$127,386	\$126,282	\$125,174	\$124,060	\$122,940	\$121,815	\$121,604	\$120,647	\$119,679	\$118,785	\$117,806	\$115,584	
Interest Expense	34,521	34,222	33,922	33,620	33,316	33,011	32,705	32,448	32,187	31,947	31,683	31,086	
Taxable income	\$92,865	\$92,060	\$91,252	\$90,440	\$89,624	\$88,804	\$88,899	\$88,199	\$87,492	\$86,838	\$86,123	\$84,498	\$1,067,094
Income Taxes 2/	\$22,664	\$22,467	\$22,270	\$22,072	\$21,873	\$21,673	\$21,696	\$21,525	\$21,352	\$21,193	\$21,018	\$20,622	
Net Income Taxes	\$22,664	\$22,467	\$22,270	\$22,072	\$21,873	\$21,673	\$21,696	\$21,525	\$21,352	\$21,193	\$21,018	\$20,622	\$260,425
Operating Income	\$104,722	\$103,815	\$102,904	\$101,988	\$101,067	\$100,142	\$99,908	\$99,122	\$98,327	\$97,592	\$96,788	\$94,962	\$1,201,337
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity: (January - June 2023)

2023			
	Ratio	Cost	
Long Term Debt	44.534%	4.503%	2.005%
Short Term Debt	5.900%	5.887%	0.347%
Common Equity	49.566%	9.650%	4.783%
	100.000%		7.135%

1/ Projected Capital Structure with Authorized Return on Equity: (July - December 2023)

2023			
	Ratio	Cost	
Long Term Debt	44.534%	4.503%	2.005%
Short Term Debt	5.900%	5.887%	0.347%
Common Equity	49.566%	9.750%	4.833%
	100.000%		7.185%

2/ 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**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Lewis & Clark Unit I Regulatory Assets Recovery**  
**Actual/Projected Year End 2024**

	Actual									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	
<b>Rate Base</b>													
Deferred Depreciation Asset	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587	\$27,831,587
Decommissioning	6,051,868	6,051,868	6,067,575	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861	6,074,861
Margin Sharing Credit													
Excess ADIT Amortization	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)	(1,701,444)
Accumulated Amortization	(11,370,897)	(11,550,966)	(11,732,042)	(11,914,043)	(12,140,648)	(12,368,520)	(12,597,666)	(12,828,092)	(13,059,807)	(13,292,817)	(13,496,389)	(13,701,098)	
Net Rate Base	\$20,811,114	\$20,631,045	\$20,465,676	\$20,290,961	\$20,064,356	\$19,836,484	\$19,607,338	\$19,376,912	\$19,145,197	\$16,531,399	\$16,327,827	\$16,123,118	\$19,100,953
Accumulated ADIT	5,078,932	5,034,986	4,994,628	4,951,989	4,896,686	4,841,074	4,785,151	4,728,916	4,672,366	4,034,471	3,984,790	3,934,831	
Total Regulatory Asset	\$15,732,182	\$15,596,059	\$15,471,048	\$15,338,972	\$15,167,670	\$14,995,410	\$14,822,187	\$14,647,996	\$14,472,831	\$12,496,928	\$12,343,037	\$12,188,287	\$14,439,384
<b>Return on Rate Base 1/</b>	<b>\$95,652</b>	<b>\$94,824</b>	<b>\$94,064</b>	<b>\$93,261</b>	<b>\$92,219</b>	<b>\$91,172</b>	<b>\$90,119</b>	<b>\$89,060</b>	<b>\$87,995</b>	<b>\$75,981</b>	<b>\$75,046</b>	<b>\$74,105</b>	\$1,053,498
<b>L&amp;C Revenue</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$340,053</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$296,000</b>	<b>\$3,948,477</b>
<b>Expenses</b>													Total
Amortization - Deferred Asset	\$180,069	\$181,076	\$182,001	\$226,605	\$227,872	\$229,146	\$230,426	\$231,715	\$233,010	\$203,572	\$204,709	\$205,854	
Amortization - Employee Related	41,680	41,680	41,680	0	0	0	0	0	0	0	0	0	
Amortization - Other	1,947	1,947	1,947	0	0	0	0	0	0	0	0	0	
Total Expenses	\$223,696	\$224,703	\$225,628	\$226,605	\$227,872	\$229,146	\$230,426	\$231,715	\$233,010	\$203,572	\$204,709	\$205,854	\$2,666,936
Income before Taxes (EBIT)	\$116,357	\$115,350	\$114,425	\$113,448	\$112,181	\$110,907	\$109,627	\$108,338	\$107,043	\$92,428	\$91,291	\$90,146	
Interest Expense	31,517	31,244	30,994	30,729	30,386	30,041	29,694	29,345	28,994	25,036	24,727	24,417	
Taxable income	\$84,840	\$84,106	\$83,431	\$82,719	\$81,795	\$80,866	\$79,933	\$78,993	\$78,049	\$67,392	\$66,564	\$65,729	\$934,417
Income Taxes 2/	\$20,705	\$20,526	\$20,361	\$20,187	\$19,962	\$19,735	\$19,508	\$19,278	\$19,048	\$16,447	\$16,245	\$16,041	
Net Income Taxes	\$20,705	\$20,526	\$20,361	\$20,187	\$19,962	\$19,735	\$19,508	\$19,278	\$19,048	\$16,447	\$16,245	\$16,041	\$228,043
Operating Income	\$95,652	\$94,824	\$94,064	\$93,261	\$92,219	\$91,172	\$90,119	\$89,060	\$87,995	\$75,981	\$75,046	\$74,105	\$1,053,498
Revenue Requirement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

1/ Projected Capital Structure with Authorized Return on Equity:  
2024

	Ratio	Cost	
Long Term Debt	44.735%	4.728%	2.115%
Short Term Debt	5.088%	5.681%	0.289%
Common Equity	50.177%	9.750%	4.892%
	100.000%		7.296%

2/ 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**  
**Generation Resource Recovery Rider**  
**Revenue Requirement - Power Purchase Agreement Incentive**  
**Actual Year End 2023**

	Actual from Prior Filing							Actual					
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	July 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	
<b>Power Purchase Agreement</b>													
Capacity													
Energy													
Total PPA													
Allocated to North Dakota 1/	\$942,025	\$858,514	\$942,025	\$914,188	\$942,025	\$935,769	\$990,177	\$977,524	\$930,146	\$959,248	\$930,146	\$975,556	
<b>Incentive Rate 2/ 3/</b>	\$620	\$565	\$620	\$602	\$620	\$616	\$652	\$644	\$612	\$632	\$612	\$642	<b>\$7,437</b>

1/ Factor 15-Integrated System 12 Month Peak Demand 70.292541% Capacity  
Factor 16-Integrated System Kwh Sales 70.295369% Energy

2/ Authorized Financial Incentive Rate: 0.790%

## Notice of Annual Update to the Generation Resource Recovery Rider with the North Dakota Public Service Commission

On November 1, 2024, Montana-Dakota Utilities Co. (Montana-Dakota) filed its application with the North Dakota Public Service Commission (Commission) to update its Generation Resource Recovery Rider (GRRR) rates in accordance with the Company's Generation Resource Recovery Rider Adjustment Rate 56 tariff that states the rates will be revised annually to reflect the most recent projected costs to be recovered.

Montana-Dakota has requested the proposed GRRR rates be effective with service rendered on and after February 1, 2025, subject to Commission review and approval. This change is 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 typical residential customer using 800 kWh will see an increase of \$0.08 per month or an increase of \$0.96 annually. The GRRR is shown as a separate line item on your bill.

	Residential & Small General
Applicable Rate Schedules	10, 13, 16, 20, 25, & 40
Current Rate	\$0.00375 per kWh
Proposed Rate	\$0.00385 per kWh
Change	\$0.00010 per kWh
	Large General
Applicable Rate Schedules	30, 31, 38, 48 and contracts
Current Rate	\$1.13195 per kW
Proposed Rate	\$1.12977 per kW
Change	(\$0.00218) per kW
	Space Heating
Applicable Rate Schedule	32
Current Rate	\$0.51821 per kW
Proposed Rate	\$0.53777 per kW
Change	\$0.01956 per kW
	Lighting
Applicable Rate Schedules	41 & 52
Current Rate	\$0.00123 per kWh
Proposed Rate	\$0.00127 per kWh
Change	\$0.00004 per kWh

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