



*A Subsidiary of MDU Resources Group, Inc.*

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November 1, 2024

Executive Secretary  
North Dakota Public Service Commission  
State Capitol Building  
Bismarck, ND 58505-0480

Re: Annual Update to the Renewable Resource Cost Adjustment Rate 55 Tariff  
Case No. PU-24-\_\_\_\_

Montana-Dakota Utilities Co. (Montana-Dakota) submits for Commission approval an original and (7) copies of the Company's Application to update its Renewable Resource Cost Adjustment (RRCA) Rate 55 tariff pursuant to the terms of Rate 55 tariff which states that "[t]he RRCA 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 2<sup>nd</sup> Revised Sheet No. 39 of its electric tariff, provided herein as Exhibit 1, to be effective with service rendered on and after February 1, 2025.

Montana-Dakota is requesting to update its RRCA rates to reflect the projected costs through December 31, 2025 related to the Company's investment in the Thunder Spirit, Cedar Hills, and Diamond Willow Wind Facilities.

Included in the proposed costs are projects to repower the Cedar Hills and Diamond Willow (Phase 2) Wind Facilities. The Phase 2 repower for Diamond Willow includes seven wind turbines that were not included in Phase 1. These projects will focus on replacing the generators, gearboxes, and refurbishing or replacing the blades on the turbines. The energy will qualify for Production Tax Credits (PTCs).

The Company is not requesting a Levelizing Adjustment for the Cedar Hills and Diamond Willow Phase 2 repower projects. The PTCs associated with those repowers are aligned with the remaining life of the wind assets, and therefore, a levelization component is not necessary for these two projects.

A comparison of the total proposed costs to be recovered in this filing and the approved costs to be recovered in Case No. PU-23-340 is outlined on the next page:

	Current Filing	Prior Filing	Variance
Revenue Requirement	\$6,767,594	\$9,525,721	(\$2,758,127)
Levelization	10,631,340	8,563,018	2,068,322
(Over)/Under Recovered Balance	854,363	2,958,382	(2,104,019)
	<u>\$18,253,297</u>	<u>\$21,047,121</u>	<u>(\$2,793,824)</u>

The total projected 2025 revenue requirement, as allocated to North Dakota, is \$6,767,594 and is detailed in Exhibit 3. The levelization of the revenue requirement includes \$10,078,218 for the Thunder Spirit Wind facility pursuant to the Orders in Case Nos. PU-19-355 and PU-20-440, and \$553,122 for the Diamond Willow Phase 1 Repower Project pursuant to the Order in Case No. PU-21-420. The projected 2025 RRCA rates also reflect a projected under-recovered balance of the current RRCA costs of \$854,363 for a total cost of \$18,253,297 to be collected through the proposed RRCA rates. The total costs to be recovered through the proposed rates represent a decrease of \$2,793,824, or a 13% decrease, from the revenues currently being collected under the RRCA. A contributing factor for the change is related to the decrease in the under-collected balance. Although the Company experienced lower than projected PTCs, as stated in the prior year's filing, that reduction was partially offset by a payment of \$1,206,035 for liquidated damages due to lower production.

All costs to be recovered through the RRCA rates are currently not being recovered through Montana-Dakota's North Dakota retail electric rates.

A residential customer using 800 kWh would see a total decrease of \$1.14 per month from the currently authorized charge under Rate 55, representing a decrease of \$13.68 annually. This change will constitute a decrease of approximately 1.2% in a residential customer's total bill. The proposed Renewable Resource Cost Adjustments (RRCA) rates are shown below, along with the change from the current RRCA rates implemented February 1, 2024:

	Proposed Rate	Current Rate	Change
Residential & Small General Rate/kWh	\$0.00890	\$0.01033	(\$0.00143)
Large General/kWh	\$0.00832	\$0.00979	(\$0.00147)
Lighting/kWh	\$0.00832	\$0.00954	(\$0.00122)

Please refer all inquiries regarding this filing to:

Travis R. Jacobson  
Director of Regulatory Affairs  
Montana-Dakota Utilities Co.  
400 North Fourth Street  
Bismarck, ND 58501  
[Travis.Jacobson@mdu.com](mailto:Travis.Jacobson@mdu.com)

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

Allison Waldon  
Senior Attorney  
MDU Resources Group, Inc.  
P.O. Box 5650  
Bismarck, ND 58506-5650  
[Allison.Waldon@mduresources.com](mailto:Allison.Waldon@mduresources.com)

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 at [travis.jacobson@mdu.com](mailto:travis.jacobson@mdu.com) with any questions regarding this filing.

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 its Annual Update to Renewable ) Case No. PU-24-\_\_\_\_  
Resource Cost Adjustment Rate 55 )

**I. Summary of Application**

Montana-Dakota Utilities Co. (Montana-Dakota or Company) herewith submits this Application to update the rates applicable under its Renewable Resource Cost Adjustment (RRCA) Rate 55 tariff pursuant to the terms of Rate 55 to reflect projected costs through December 2025 related to the Company’s investment in its existing renewable generation resources; namely the Thunder Spirit Wind Facility, Cedar Hills Wind Facility, and Diamond Willow Wind Facility. Montana-Dakota respectfully requests approval of its Renewable Resource Cost Adjustment Rate 55 tariff, 2<sup>nd</sup> Revised Sheet No. 39, 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 - Renewable Resource Cost Adjustment Rate 55 2<sup>nd</sup> Revised Sheet No. 39
- Exhibit 2 - Derivation of Proposed Rates
- Exhibit 3 - Projected 2025 Revenue Requirement
- Exhibit 4 - Balancing Account Summary, 2023 and 2024 Monthly Revenue Requirement Calculation
- Exhibit 5 - Revenue Requirement - Detail Schedule by Wind Facility
- Exhibit 6 - Customer Notice of Filing

## **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 North Dakota Century Code (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 Renewable Resource Recovery Rider Rate 55**

On October 26, 2015, Montana-Dakota filed an application and notice to implement a RRCA tariff and rates for purposes of recovering its investment in renewable generation resources, specifically the Thunder Spirit Wind Project, a 107.5 MW generation project located near Hettinger, North Dakota in Case No. PU-15-703. On January 5, 2016, the Commission approved a Settlement Agreement between Montana-Dakota and the Commission Advocacy Staff thereby authorizing the Company's RRCA Rate 55 tariff effective with service rendered on and after January 7, 2016 on an interim basis pending the outcome of a general electric rate case to be filed by the Company. On October 14, 2016, Montana-Dakota filed an application and notice to increase its electric service rates in Case No. PU-16-666, which included an update to the RRCA rates. On June 16, 2017, the Commission approved the Settlement Agreement entered into between Montana-Dakota, the Commission Advocacy Staff,

and the AARP, authorizing the recovery of the Company's existing wind facilities (Cedar Hills, Diamond Willow, and Thunder Spirit) through the Rate 55 tariff, as well as a true up of the over collected balance through December 31, 2016. The current RRCA rates were implemented effective with service rendered on and after March 1, 2024 in Case No. PU-23-340.

Montana-Dakota is now requesting to update its RRCA rates to reflect projected costs through December 2025 for all existing wind facilities (Cedar Hills, Diamond Willow, and Thunder Spirit) and to include the projected under collected balance as of January 2025. The revenue requirement includes depreciation expense and the approved return on equity, effective July 2023, as approved in Case No. PU-22-194. Pursuant to the Commission's Orders in Case Nos. PU-19-355, PU-20-440 and PU-21-420, a levelization component has been included in the requested recovery. The Company is proposing the rates proposed herein be effective with service rendered on and after February 1, 2025.

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

The following exhibits are included herein in support of the Company's proposed RRCA rates and in accordance with the Company's Rate 55 tariff:

- *Exhibit 2* shows the proposed RRCA rates and the allocation of the total costs to each of the rate classes, including all special contracts. The total costs to be recovered include the projected RRCA under collected balance of \$854,363 as of January 31, 2025, the projected 2025 revenue requirement of \$6,767,594 associated with Thunder Spirit, Cedar Hill, and Diamond Willow wind facilities and the projected levelization adjustment of \$10,631,340 reflective of the

Commission’s Orders in Case Nos. PU-19-355, PU-20-440, PU-21-420.

Projected costs are then allocated to the rate classes based on the Company’s Demand/Energy Factor No. 3, approved in Case No. PU-22-194, and divided by the forecasted billing determinants. A comparison of the current revenue requirement to the prior year is outlined below:

	Current Filing	Prior Filing	Variance
Revenue Requirement	\$6,767,594	\$9,525,721	(\$2,758,127)
Levelization	10,631,340	8,563,018	2,068,322
(Over)/Under Recovered Balance	854,363	2,958,382	(2,104,019)
	<u>\$18,253,297</u>	<u>\$21,047,121</u>	<u>(\$2,793,824)</u>

As outlined above, the levelization amount that is being projected for the 2025 period is increasing. This is to better match the revenue requirement, exclusive of Production Tax Credits (PTCs) for 2025 with a typical asset life and spread the value of PTCs over the expected life of the wind assets. The current year levelization adjustment is outlined on Exhibit 5, page 10. The prior period (Over)/Under Recovered balance remains Under Recovered. A contributing factor for the under-collected balance decreasing is the payment of \$1,206,035 for liquidated damages due to lower production discussed in the prior year’s filing.

- *Exhibit 3* shows the projected monthly revenue requirements for Montana-Dakota’s wind projects for the year ending December 2025. The projected revenue requirement for the twelve months ending December 31, 2025 as allocated to North Dakota is \$6,767,594 as shown in Exhibit 3. This represents a decrease of \$2,758,127 from the revenue requirement authorized in Case No.

PU-23-340. The revenue requirement is comprised of:

- Average rate base of \$97,679,120. Included in rate base is a regulatory liability accruing the Thunder Spirit levelizing adjustment as ordered in Case Nos. PU-19-355 and PU-20-440 and the Diamond Willow Phase 1 levelizing adjustment as ordered in Case No. PU-21-420.
- Continued amortization of the decommissioning costs authorized in Case No. PU-16-666, updated for the most recent decommissioning estimate to include the decommissioning estimate related to the expansion of the Thunder Spirit facility.
- Federal Production Tax Credits (PTCs): reflects a credit of 2.9 cents per kWh of production from the Thunder Spirit Wind Facility, the Diamond Willow Wind Facility Phase 1 and Phase 2 repower, and the Cedar Hills repower. The available PTCs are included as a reduction to taxes.
- Return: reflective of the projected 2025 Capital Structure and the Return on Equity of 9.75% authorized in the Company's last electric rate case (Case No. PU-22-194).
- O&M: reflects the annual operating costs and the annual easement payments for each facility. O&M costs are recorded separately for each wind facility.
- Depreciation Expense: annual depreciation rates for production and transmission related assets, based on a 25-year life for all wind facilities. Current depreciation rates were authorized in Case No. PU-22-194.

- Taxes Other than Income: reflective of the production tax rate applicable under N.D.C.C. 57-33.2.04: Wind Generation Taxation, and assessed property taxes as applicable.
- Income Taxes: current federal and state income tax rates.
- ARAM Reversal: The Tax Cuts and Jobs Act of 2017 required re-measurement of the accumulated deferred income tax balance to determine the amount of excess deferred income tax to be returned to customers over the remaining life of the asset. The excess deferred income taxes on the Cedar Hills, Diamond Willow, and Thunder Spirit assets results in a projected annual amortization of \$910,513 for 2025, which is a reduction to deferred income tax expense.
- The facilities located in North Dakota are eligible for the North Dakota income tax credit (ITC) for installation of wind energy devices under N.D.C.C. Section 57-38-30. The Facilities are projected to have a carry forward credit of approximately \$8.8 million available at the end of 2024, and it is projected that \$1,305,228 of the credit will be utilized in 2025. Since the credit allowed under the statute may not exceed the liability for tax, the excess will be carried forward for future use. Deferred tax is only established when the credit is utilized, and the deferred tax benefit is then amortized over the life of the assets. Based on the projected credit utilization, the deferred tax balance at the end of 2025 is projected to be approximately \$10.2 million.

- *Exhibit 4* shows the projected RRCA Balancing Account (per Paragraph 2d of Rate 55) through January 2025. The monthly over or under collected balance includes a carrying charge based on the three-month Treasury Bill rate as published monthly by the Federal Reserve Board. The levelization adjustment is presented as a component of total revenue collected and that revenue will be held by the Company to offset the revenue requirement in future periods. The difference between the levelizing adjustment and actual per unit revenue collected is represented as an adjustment to the revenue included in the balancing account as shown in Exhibit 4, page 2.
- *Exhibit 5* shows the projected monthly revenue requirements in detail for each of the three existing wind projects, including the replacement for SCADA controls for the Cedar Hills facility, a repower for the Cedar Hills facility, and Phase 2 repower for the Diamond Willow facility. These upgrades will result in improved functionality and efficiency. The Company is not requesting a Levelizing Adjustment for the Cedar Hills and Diamond Willow Phase 2 repower projects. The PTCs associated with those repowers are aligned with the remaining life of the wind assets, and therefore, a levelization component is not necessary for these two projects.

#### **V. Updates from the Prior Year filing - Case No. PU-23-340**

On May 16, 2022, the Company filed a general rate case with the Commission in Case No. PU-22-194. As part of this general rate case, Montana-Dakota proposed to continue to recover the revenue requirement related to existing wind facilities in the RRCA. Pursuant to the Commission's Findings of Fact, Conclusions of Law and Order

issued June 6, 2023 (Commission’s Order), the depreciation rates applicable to the production assets of Thunder Spirit, Diamond Willow, and Cedar Hills were updated effective July 2023. The depreciation rates for the transmission assets included in the RRCA revenue requirement were also updated effective July 2023. Also pursuant to the Commission’s Order, the authorized return on equity of 9.75% was included in the RRCA revenue requirement. The updated depreciation expense and return on equity are reflected in the revenue requirements on Exhibit 3, page 1, and Exhibit 4, page 4.

**VI. Estimated Impact by Customer Class**

As shown in Exhibit 2, Montana-Dakota’s projected 2025 costs to be recovered under the RRCA rates are \$18,253,297 which includes the projected under-recovered balance of \$854,363. A residential customer using 800 kWh would see a decrease of \$1.14 per month, or \$13.68 annually.

Montana-Dakota requests approval of the following RRCA rates to be effective February 1, 2025:

	Proposed Rate	Current Rate	Change
Residential & Small General Rate/kWh	\$0.00890	\$0.01033	(\$0.00143)
Large General/kWh	\$0.00832	\$0.00979	(\$0.00147)
Lighting/kWh	\$0.00832	\$0.00954	(\$0.00122)

A contributing factor for the decrease is the reduction in the under-collected balance. As previously explained, the under-collected balance decrease was driven by a payment of \$1,206,035 for liquidated damages due to lower production.

Montana-Dakota has included as Exhibit 6 a Customer Notice to be included with customer’s bills starting thirty days from date of filing in accordance with N.D.C.C. § 69-

09-02-02.1 requiring a notice to be provided to customers, within thirty days after filing, informing customers of the Company's request to update rates.

## **VII. Conclusion**

Montana-Dakota respectfully requests that the Commission approve this annual update to the Company's RRCA rates applicable under Renewable Resource Cost Adjustment Rate 55 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

NDPSC Volume 5  
2<sup>nd</sup> Revised Sheet No. 39  
Canceling 1<sup>st</sup> Revised Sheet No. 39

### RENEWABLE RESOURCE COST ADJUSTMENT Rate 55

Page 1 of 1

**1. Applicability:**

This rate schedule represents a Renewable Resource Cost Adjustment (RRCA) and specifies the procedure to be utilized to recover the jurisdictional costs associated with renewable generation resource modifications or additions approved by the Commission, but not recovered through retail rates. Costs to be recovered may include operation and maintenance expenditures, depreciation, taxes, and a current return on the project costs.

**2. Renewable Resource Cost Adjustment:**

- a. An adjustment per Kwh will be calculated using the projected capital costs and related expenses, along with the forecasted Kwh sales, to determine a North Dakota jurisdictional revenue requirement to be recovered through the RRCA rates. The return component of the revenue requirement calculation will include the return on equity established in the Company's most recent rate case.
- b. The RRCA is applicable to all retail customers for electric energy sold, except those served under special contract, where the contract does not express RRCA applicability, and are allocated amongst the rate classes based on the Company's Demand/Energy Factor No. 3 established in the Company's most recent general rate case.
- c. The RRCA will be adjusted annually (or other period authorized by the Commission) to reflect the Company's most recent projected capital costs and related expenses for projects determined to be recoverable under this schedule.
- d. A true-up will reflect any over or under collection of revenue under the RRCA based on actual expenditures from the preceding twelve month recovery period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

**3. Renewable Resource Cost Adjustment:**

Residential & Small General	0.890¢ per Kwh
Large General	0.832¢ per Kwh
Lighting	0.832¢ per Kwh

**Date Filed:** November 1, 2024

**Effective Date:**

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

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

# **Tariff 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

~~4<sup>st</sup>~~ 2<sup>nd</sup> Revised Sheet No. 39

Canceling ~~Original-1<sup>st</sup>~~ Revised Sheet No. 39

### RENEWABLE RESOURCE COST ADJUSTMENT Rate 55

Page 1 of 1

#### 1. **Applicability:**

This rate schedule represents a Renewable Resource Cost Adjustment (RRCA) and specifies the procedure to be utilized to recover the jurisdictional costs associated with renewable generation resource modifications or additions approved by the Commission, but not recovered through retail rates. Costs to be recovered may include operation and maintenance expenditures, depreciation, taxes, and a current return on the project costs.

#### 2. **Renewable Resource Cost Adjustment:**

- a. An adjustment per Kwh will be calculated using the projected capital costs and related expenses, along with the forecasted Kwh sales, to determine a North Dakota jurisdictional revenue requirement to be recovered through the RRCA rates. The return component of the revenue requirement calculation will include the return on equity established in the Company's most recent rate case.
- b. The RRCA is applicable to all retail customers for electric energy sold, except those served under special contract, where the contract does not express RRCA applicability, and are allocated amongst the rate classes based on the Company's Demand/Energy Factor No. 3 established in the Company's most recent general rate case.
- c. The RRCA will be adjusted annually (or other period authorized by the Commission) to reflect the Company's most recent projected capital costs and related expenses for projects determined to be recoverable under this schedule.
- d. A true-up will reflect any over or under collection of revenue under the RRCA based on actual expenditures from the preceding twelve month recovery period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

#### 3. **Renewable Resource Cost Adjustment:**

Residential & Small General	<del>1.0330</del> <u>.890</u> ¢ per Kwh
Large General	<del>0.9790</del> <u>.832</u> ¢ per Kwh
Lighting	<del>0.9540</del> <u>.832</u> ¢ per Kwh

**Date Filed:** ~~January 29~~November 1, 2024

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

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

**Case No.:** ~~PU-23-34924-~~

**Montana-Dakota Utilities Co.  
Electric Utility - North Dakota  
Renewable Resource Cost Adjustment  
Proposed 2025 Renewable Rider Rates**

	<u>Total</u>
Revenue Requirement 1/	\$6,767,594
Levelization 1/	10,631,340
Over Recovery 2/	854,363
Total Cost to be Recovered through RRCA Rates	<u><u>\$18,253,297</u></u>

<u>Allocation of Costs &amp; Proposed Rates</u>	<u>Allocated RRCA Costs 3/</u>	<u>Projected Billing Determinants</u>	<u>Proposed RRCA Rates</u>
Residential & Small General	\$7,623,127	856,392,158 Kwh	\$0.00890 per Kwh
Large General	10,494,838	1,261,619,044 Kwh	\$0.00832 per Kwh
Lighting	135,332	16,259,202 Kwh	\$0.00832 per Kwh
	<u><u>\$18,253,297</u></u>		

<u>Change in Rates</u>	<u>Proposed RRCA Rates</u>	<u>Current RRCA Rates 4/</u>	<u>Change in RRCA Rates</u>
Residential & Small General	\$0.00890	\$0.01033	(\$0.00143)
Large General	\$0.00832	\$0.00979	(\$0.00147)
Lighting	\$0.00832	\$0.00954	(\$0.00122)

1/ Exhibit 3, page 1.

2/ Exhibit 4, page 1.

3/ Demand/Energy for Wind Allocation Factor 3 approved in Case No. PU-22-194.

Residential & Small General	41.763014%	(Rates 10, 13, 16, 20, 25, 26, and 40)
Large General	57.495574%	(Rates 30, 31, 32, 38, 48 and contracts)
Lighting	0.741412%	(Rates 41, 52)
	<u><u>100.000000%</u></u>	

4/ Current RRCA rates effective March 1, 2024.

**Montana-Dakota Utilities Co.  
Electric Utility - North Dakota  
Renewable Resource Cost Adjustment  
Revenue Requirement - Wind Resources  
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>														
Total Plant Balance	\$282,753,782	\$282,753,782	\$282,753,782	\$282,753,782	\$282,753,782	\$282,753,782	\$282,753,782	\$282,753,782	\$282,753,782	\$282,281,345	\$282,281,345	\$282,281,345	\$282,635,673	
Total Accumulated Reserve	99,550,779	100,606,241	101,661,703	102,717,165	103,772,627	104,828,089	105,883,551	106,939,013	107,994,475	85,243,972	86,297,623	87,351,274		
Net Plant in Service	\$183,203,003	\$182,147,541	\$181,092,079	\$180,036,617	\$178,981,155	\$177,925,693	\$176,870,231	\$175,814,769	\$174,759,307	\$197,037,373	\$195,983,722	\$194,930,071	183,231,797	
Less: Deferred Taxes	\$41,793,886	\$41,338,120	\$40,907,114	\$40,498,946	\$40,137,353	\$39,809,629	\$39,474,276	\$39,131,603	\$38,823,122	\$38,552,684	\$38,303,427	\$38,016,874		
Less: Investment Tax Credit	8,954,307	9,063,076	9,171,845	9,280,614	9,389,383	9,498,152	9,606,921	9,715,690	9,824,459	9,933,228	10,041,997	10,150,766		
Less: Levelization Reg Liability	31,490,323	32,443,819	33,370,800	34,276,756	35,066,893	35,790,808	36,620,926	37,555,970	38,423,469	39,210,024	39,982,345	40,982,516		
Total Rate Base	\$100,964,487	\$99,302,526	\$97,642,320	\$95,980,301	\$94,387,526	\$92,827,104	\$91,168,108	\$89,411,506	\$87,688,257	\$109,341,437	\$107,655,953	\$105,779,915	97,679,120	
<b>Return on Rate Base 1/</b>	<b>\$613,864</b>	<b>\$603,759</b>	<b>\$593,665</b>	<b>\$583,560</b>	<b>\$573,876</b>	<b>\$564,389</b>	<b>\$554,302</b>	<b>\$543,622</b>	<b>\$533,145</b>	<b>\$664,796</b>	<b>\$654,548</b>	<b>\$643,142</b>	<b>\$7,126,668</b>	
<b>Expenses</b>														
Operating Expenses													Total	
Total O&M	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$347,257	\$1,073,299	\$4,893,126
Total Depreciation	1,055,462	1,055,462	1,055,462	1,055,462	1,055,462	1,055,462	1,055,462	1,055,462	1,055,462	1,055,462	1,053,651	1,053,651	12,661,922	
Property taxes	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	621,444	
Payroll taxes	3,614	3,614	3,614	3,614	3,614	3,614	3,614	3,614	3,614	3,614	3,614	3,614	43,368	
<b>Total Expenses</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,456,309</b>	<b>\$2,182,351</b>	<b>\$18,219,860</b>	
Income before Taxes (EBIT)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,456,309)	(\$2,182,351)	(\$18,219,860)	
Interest Expense	(202,266)	(198,936)	(195,610)	(192,281)	(189,090)	(185,964)	(182,640)	(179,121)	(175,669)	(219,047)	(215,671)	(211,912)	(2,348,207)	
AFUDC Equity Add Back	24,323	24,323	24,323	24,323	24,323	24,323	24,323	24,323	24,323	24,323	24,323	24,319	291,872	
Taxable income	(\$1,636,063)	(\$1,632,733)	(\$1,629,407)	(\$1,626,078)	(\$1,622,887)	(\$1,619,761)	(\$1,616,437)	(\$1,612,918)	(\$1,609,466)	(\$1,652,844)	(\$1,647,657)	(\$2,369,944)	(\$20,276,195)	
Income Taxes 2/	(\$399,280)	(\$398,467)	(\$397,655)	(\$396,843)	(\$396,064)	(\$395,301)	(\$394,490)	(\$393,631)	(\$392,789)	(\$403,375)	(\$402,109)	(\$578,382)	(\$4,948,386)	
Less: ARAM Amortization	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,877)	(910,513)	
Production Tax Credit	(1,540,280)	(1,024,229)	(1,123,713)	(931,014)	(1,076,878)	(969,725)	(958,745)	(763,109)	(935,348)	(1,724,438)	(1,424,816)	(1,899,364)	(14,371,659)	
Net Income Taxes	(\$2,015,436)	(\$1,498,572)	(\$1,597,244)	(\$1,403,733)	(\$1,548,818)	(\$1,440,902)	(\$1,429,111)	(\$1,232,616)	(\$1,404,013)	(\$2,203,689)	(\$1,902,801)	(\$2,553,623)	(\$20,230,558)	
Operating Income	\$557,316	\$40,452	\$139,124	(\$54,387)	\$90,698	(\$17,218)	(\$29,009)	(\$225,504)	(\$54,107)	\$745,569	\$446,492	\$371,272	\$2,010,698	
<b>Revenue Requirement</b>	<b>\$74,804</b>	<b>\$745,163</b>	<b>\$601,284</b>	<b>\$843,900</b>	<b>\$639,166</b>	<b>\$769,371</b>	<b>\$771,625</b>	<b>\$1,017,428</b>	<b>\$776,839</b>	<b>(\$106,850)</b>	<b>\$275,224</b>	<b>\$359,640</b>	<b>\$6,767,594</b>	

Thunder Spirit PTC Levelization, grossed up: 10,078,218  
Diamond Willow Repower PTC Levelization, grossed up: 553,122  
**Total Projected 2025: \$17,398,934**

1/ Projected Capital Structure with authorized return on equity.

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

2/ 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  
Renewable Resource Cost Adjustment  
Balancing Account and Carry Charge Calculation**

	Cumulative							Grand Total (Over)/Under Collection	
	Beginning Balance	Revenue Requirement 1/	Revenue Collected 2/	Ending Balance 3/	Carrying Charge Calculation				
				Deferred Income Tax	Net Balance	Rate 4/	Carrying Charge 4/		
September 2023								\$3,251,171 5/	
October	\$3,251,171	\$799,297	\$711,741	\$3,338,727	\$814,813	\$2,523,914	5.3400%	\$10,813	3,349,540
November	3,338,727	721,204	682,709	3,377,222	824,208	2,553,014	5.2700%	11,084	3,399,119
December	3,377,222	1,317,350	826,433	3,868,139	944,015	2,924,124	5.2400%	11,148	3,901,184
January 2024	3,868,139	1,031,337	889,036	4,010,440	978,744	3,031,696	5.2200%	12,720	4,056,205
February	4,010,440	867,435	744,137	4,133,738	1,008,835	3,124,903	5.2400%	13,238	4,192,741
March	4,133,738	963,492	2,057,562 6/	3,039,668	741,828	2,297,840	5.2400%	13,645	3,112,316
April	3,039,668	452,757	1,057,596	2,434,829	594,218	1,840,611	5.2400%	10,034	2,517,511
May	2,434,829	867,396	920,476	2,381,749	581,263	1,800,486	5.2500%	8,053	2,472,484
June	2,381,749	861,599	843,341	2,400,007	585,719	1,814,288	5.2400%	7,862	2,498,604
July	2,400,007	1,267,974	970,609	2,697,372	658,291	2,039,081	5.2000%	7,862	2,803,831
August	2,697,372	848,928	1,096,354	2,449,946	597,907	1,852,039	5.0500%	8,581	2,564,986
September	2,449,946	800,848	1,013,036	2,237,758	546,123	1,691,635	4.7200%	7,285	2,360,083
October - Est.	2,237,758	443,619	914,198	1,767,179	431,278	1,335,901	4.7200%	6,654	1,896,158
November - Est.	1,767,179	379,993	900,872	1,246,300	304,158	942,142	4.7200%	5,255	1,380,534
December - Est.	1,246,300	1,229,815	1,170,961	1,305,154	318,522	986,632	4.7200%	3,706	1,443,094
January 2025 - Est.	1,305,154	74,804	667,416	712,542	173,895	538,647	4.7200%	3,881	854,363
Total		\$12,927,848	\$15,466,477					\$141,821	

1/ Monthly revenue requirement.

2/ Reflects revenues collected at established rates net of additional revenue collected for levelization.

3/ Under collection on revenue requirement not including the carrying charge, for use in calculating the carrying charge.

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

5/ September 2023 Under Collected balance per Case No. PU-23-340, Exhibit 4, page 1.

6/ Includes payment of \$1,206,035 for Liquidated Damages.

**North Dakota Renewable Rider  
Revenue Breakdown**

	Total Revenue Collected	Levelizing Adjustment in Rates 1/	Net Revenue Collected
October	1,293,304	581,563	711,741
November	1,236,056	553,347	682,709
December	1,494,679	668,246	826,433
	<u>\$4,024,039</u>	<u>\$1,803,156</u>	<u>\$2,220,883</u>
January 2024	\$1,806,562	\$917,526	\$889,036
February	1,512,131	767,994	744,137
March	1,598,164	746,637	851,527
April	1,787,298	729,702	1,057,596
May	1,556,893	636,417	920,476
June	1,426,419	583,078	843,341
July	1,639,228	668,619	970,609
August	1,849,486	753,132	1,096,354
September	1,711,764	698,728	1,013,036
October - Est.	1,547,729	633,531	914,198
November - Est.	1,522,938	622,066	900,872
December - Est.	1,976,549	805,588	1,170,961
		<u>\$8,563,018</u>	
January 2025 - Est.	\$1,806,562	\$1,139,146	\$667,416
February - Est.	0	953,496	
March - Est.	0	926,981	
April - Est.	0	905,956	
May - Est.	0	790,137	
June - Est.	0	723,915	
July - Est.	0	830,118	
August - Est.	0	935,044	
September - Est.	0	867,499	
October - Est.	0	786,555	
November - Est.	0	772,321	
December - Est.	0	1,000,171	
		<u>\$10,631,339</u>	

1/ Levelization adjustment is amount included in established rates.

**Montana-Dakota Utilities Co.  
Electric Utility - North Dakota  
Renewable Resource Cost Adjustment  
Revenue Requirement - Wind Resources  
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>													
Total Plant Balance	\$276,838,116	\$276,911,965	\$276,935,371	\$276,918,505	\$276,914,986	\$277,025,944	\$277,025,944	\$277,037,189	\$277,043,722	\$276,997,219	\$277,034,286	\$277,115,361	\$276,983,217
Total Accumulated Reserve	75,080,603	76,039,148	76,977,207	77,873,443	78,830,060	79,788,459	80,808,184	81,826,119	82,845,864	83,849,019	84,868,574	85,199,542	
Net Plant in Service	\$201,757,513	\$200,872,817	\$199,958,164	\$199,045,062	\$198,084,926	\$197,237,485	\$196,217,760	\$195,211,070	\$194,197,858	\$193,148,200	\$192,165,712	\$191,915,819	196,651,032
Less: Deferred Taxes	\$49,435,525	\$49,169,861	\$48,884,071	\$48,644,079	\$48,426,041	\$48,198,563	\$47,991,000	\$47,764,877	\$47,567,173	\$47,389,030	\$47,145,316	\$46,895,790	
Less: Investment Tax Credit	6,611,008	6,655,303	6,699,597	6,743,892	6,788,187	6,832,482	6,876,776	6,921,071	6,965,366	7,009,660	7,365,385	7,674,625	
Less: Levelization Reg Liability	14,833,994	15,494,251	16,271,340	16,894,045	17,461,197	18,100,308	18,692,187	19,394,481	20,013,609	20,566,566	21,119,913	21,788,159	
Total Rate Base	\$130,876,986	\$129,553,402	\$128,103,156	\$126,763,046	\$125,409,501	\$124,106,132	\$122,657,797	\$121,130,641	\$119,651,710	\$118,182,944	\$116,535,098	\$115,557,245	123,210,638
<b>Return on Rate Base 1/</b>	<b>\$778,173</b>	<b>\$770,303</b>	<b>\$761,680</b>	<b>\$753,712</b>	<b>\$745,664</b>	<b>\$737,914</b>	<b>\$734,414</b>	<b>\$725,270</b>	<b>\$716,415</b>	<b>\$707,620</b>	<b>\$697,754</b>	<b>\$691,899</b>	<b>\$8,820,818</b>
<b>Expenses</b>													
Operating Expenses													Total
Total O&M	\$318,470	\$361,355	\$347,982	\$319,902	\$338,583	\$330,109	\$314,763	\$311,064	\$334,330	\$347,639	\$316,529	\$1,064,130	\$4,704,856
Total Depreciation	958,146	958,141	958,387	958,463	958,409	958,398	1,019,724	1,019,724	1,019,746	1,019,767	1,019,553	1,019,613	11,868,071
Property taxes	59,707	59,707	59,707	59,707	59,707	59,707	59,707	59,707	59,707	40,160	40,160	40,160	657,843
Payroll taxes	5,118	4,440	4,664	4,463	3,526	3,735	3,122	3,424	3,032	2,885	2,966	3,257	44,632
<b>Total Expenses</b>	<b>\$1,341,441</b>	<b>\$1,383,643</b>	<b>\$1,370,740</b>	<b>\$1,342,535</b>	<b>\$1,360,225</b>	<b>\$1,351,949</b>	<b>\$1,397,316</b>	<b>\$1,393,919</b>	<b>\$1,416,815</b>	<b>\$1,410,451</b>	<b>\$1,379,208</b>	<b>\$2,127,160</b>	<b>\$17,275,402</b>
Income before Taxes (EBIT)	(\$1,341,441)	(\$1,383,643)	(\$1,370,740)	(\$1,342,535)	(\$1,360,225)	(\$1,351,949)	(\$1,397,316)	(\$1,393,919)	(\$1,416,815)	(\$1,410,451)	(\$1,379,208)	(\$2,127,160)	(\$17,275,402)
Interest Expense	(256,519)	(253,925)	(251,082)	(248,456)	(245,803)	(243,248)	(240,409)	(237,416)	(234,517)	(231,639)	(228,409)	(226,492)	(2,897,915)
AFUDC Equity Add Back	24,405	24,405	24,405	24,405	24,405	24,405	24,405	24,405	24,405	18,847	18,847	18,846	276,185
Taxable income	(\$1,573,555)	(\$1,613,163)	(\$1,597,417)	(\$1,566,586)	(\$1,581,623)	(\$1,570,792)	(\$1,613,320)	(\$1,606,930)	(\$1,626,927)	(\$1,623,243)	(\$1,588,770)	(\$2,334,806)	(\$19,897,132)
Income Taxes 2/	(\$384,025)	(\$393,691)	(\$389,848)	(\$382,324)	(\$385,994)	(\$383,350)	(\$393,729)	(\$392,170)	(\$397,050)	(\$396,151)	(\$387,738)	(\$569,807)	(\$4,855,877)
Less: ARAM Amortization	(68,934)	(68,934)	(68,934)	(68,934)	(68,934)	(68,934)	(68,934)	(68,934)	(68,934)	(77,351)	(77,351)	(77,351)	(852,459)
Production Tax Credit	(935,797)	(1,249,032)	(803,974)	(1,120,747)	(709,723)	(528,046)	(634,777)	(724,061)	(678,040)	(1,040,340)	(1,066,678)	(1,176,049)	(10,667,264)
Net Income Taxes	(\$1,388,756)	(\$1,711,657)	(\$1,262,756)	(\$1,572,005)	(\$1,164,651)	(\$980,330)	(\$1,097,440)	(\$1,185,165)	(\$1,144,024)	(\$1,513,842)	(\$1,531,767)	(\$1,823,207)	(\$16,375,600)
Operating Income	\$47,315	\$328,014	(\$107,984)	\$229,470	(\$195,574)	(\$371,619)	(\$299,876)	(\$208,754)	(\$272,791)	\$103,391	\$152,559	(\$303,953)	(\$899,802)
<b>Revenue Requirement</b>	<b>\$966,806</b>	<b>\$585,076</b>	<b>\$1,150,424</b>	<b>\$693,487</b>	<b>\$1,245,105</b>	<b>\$1,467,731</b>	<b>\$1,368,197</b>	<b>\$1,235,562</b>	<b>\$1,308,558</b>	<b>\$799,297</b>	<b>\$721,204</b>	<b>\$1,317,350</b>	<b>\$12,858,797</b>

1/ Projected Capital Structure with authorized return on equity from Case No. PU-16-666 for January - June 2023.

	Ratio	Cost		
Long Term Debt:	44.534%	4.503%	2.005%	
Short Term Debt:	5.900%	5.887%	0.347%	2.352%
Common Equity:	49.566%	9.650%	4.783%	
	100.000%		7.135%	

Projected Capital Structure with authorized return on equity from Case No. PU-22-194 effective July 2023.

	Ratio	Cost		
Long Term Debt:	44.534%	4.503%	2.005%	
Short Term Debt:	5.900%	5.887%	0.347%	2.352%
Common Equity:	49.566%	9.750%	4.833%	
	100.000%		7.185%	

2/ 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  
Renewable Resource Cost Adjustment  
Revenue Requirement - Wind Resources  
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>													
Total Plant Balance	\$283,225,204	\$282,962,967	\$282,977,422	\$282,982,873	\$282,592,199	\$282,634,778	\$282,630,108	\$282,621,019	\$282,753,782	\$282,753,782	\$282,753,782	\$282,753,782	\$282,803,475
Total Accumulated Reserve	88,057,934	89,063,806	90,119,936	91,162,016	91,217,259	92,258,442	93,299,762	94,330,086	95,371,393	96,412,701	97,454,009	98,495,317	
Net Plant in Service	\$195,167,270	\$193,899,161	\$192,857,486	\$191,820,857	\$191,374,940	\$190,376,336	\$189,330,346	\$188,290,933	\$187,382,389	\$186,341,081	\$185,299,773	\$184,258,465	189,699,920
Less: Deferred Taxes	\$46,929,331	\$46,533,819	\$46,161,544	\$45,810,852	\$45,500,972	\$45,221,562	\$44,939,299	\$44,654,435	\$44,325,783	\$44,105,582	\$43,905,631	\$43,678,936	
Less: Investment Tax Credit	7,746,756	7,818,888	7,891,020	7,963,151	8,035,283	8,107,414	8,179,546	8,251,678	8,629,142	8,701,274	8,773,406	8,845,538	
Less: Levelization Reg Liability	22,705,685	23,473,679	24,220,316	24,950,018	25,586,435	26,169,513	26,838,132	27,591,264	28,289,992	28,923,523	29,545,589	30,351,177	
Total Rate Base	\$117,785,498	\$116,072,775	\$114,584,606	\$113,096,836	\$112,252,250	\$110,877,847	\$109,373,369	\$107,793,556	\$106,137,472	\$104,610,702	\$103,075,147	\$101,382,814	109,753,573
<b>Return on Rate Base 1/</b>	<b>\$716,136</b>	<b>\$705,722</b>	<b>\$696,674</b>	<b>\$687,629</b>	<b>\$682,494</b>	<b>\$674,137</b>	<b>\$664,990</b>	<b>\$655,385</b>	<b>\$645,316</b>	<b>\$636,033</b>	<b>\$626,697</b>	<b>\$616,408</b>	<b>\$8,007,621</b>
<b>Expenses</b>													
Operating Expenses													Total
Total O&M	\$321,596	\$321,645	\$319,577	\$318,794	\$305,274	\$351,305	\$348,978	\$329,758	\$359,915	\$330,760	\$330,760	\$1,043,783	\$4,682,145
Total Depreciation	1,043,151	1,043,170	1,042,045	1,042,089	1,042,115	1,041,182	1,041,321	1,041,344	1,041,308	1,041,308	1,041,308	1,041,308	12,501,649
Property taxes	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,782	621,439
Payroll taxes	3,613	2,966	3,363	3,795	2,393	4,467	4,105	3,917	3,907	3,614	3,614	3,614	43,368
<b>Total Expenses</b>	<b>\$1,420,147</b>	<b>\$1,419,568</b>	<b>\$1,416,772</b>	<b>\$1,416,465</b>	<b>\$1,401,569</b>	<b>\$1,448,741</b>	<b>\$1,446,191</b>	<b>\$1,426,806</b>	<b>\$1,456,917</b>	<b>\$1,427,469</b>	<b>\$1,427,469</b>	<b>\$2,140,487</b>	<b>\$17,848,601</b>
Income before Taxes (EBIT)	(\$1,420,147)	(\$1,419,568)	(\$1,416,772)	(\$1,416,465)	(\$1,401,569)	(\$1,448,741)	(\$1,446,191)	(\$1,426,806)	(\$1,456,917)	(\$1,427,469)	(\$1,427,469)	(\$2,140,487)	(\$17,848,601)
Interest Expense	(235,964)	(232,532)	(229,551)	(226,571)	(224,879)	(222,125)	(219,111)	(215,946)	(212,629)	(209,570)	(206,494)	(203,104)	(2,638,476)
AFUDC Equity Add Back	24,363	24,363	24,363	24,363	24,363	24,363	24,363	24,363	24,363	24,363	24,363	24,366	292,359
Taxable income	(\$1,631,748)	(\$1,627,737)	(\$1,621,960)	(\$1,618,673)	(\$1,602,085)	(\$1,646,503)	(\$1,640,939)	(\$1,618,389)	(\$1,645,183)	(\$1,612,676)	(\$1,609,600)	(\$2,319,225)	(\$20,194,718)
Income Taxes 2/	(\$398,226)	(\$397,248)	(\$395,838)	(\$395,036)	(\$390,987)	(\$401,827)	(\$400,470)	(\$394,966)	(\$401,505)	(\$393,572)	(\$392,821)	(\$566,005)	(\$4,928,501)
Less: ARAM Amortization	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,951)	(911,379)
Production Tax Credit	(882,469)	(996,356)	(913,307)	(1,290,848)	(961,419)	(993,776)	(676,237)	(969,529)	(1,019,378)	(1,258,628)	(1,298,141)	(1,185,259)	(12,445,347)
Net Income Taxes	(\$1,356,643)	(\$1,469,552)	(\$1,385,093)	(\$1,761,832)	(\$1,428,354)	(\$1,471,551)	(\$1,152,655)	(\$1,440,443)	(\$1,496,831)	(\$1,728,148)	(\$1,766,910)	(\$1,827,215)	(\$18,285,227)
Operating Income	(\$63,504)	\$49,984	(\$31,679)	\$345,367	\$26,785	\$22,810	(\$293,536)	\$13,637	\$39,914	\$300,679	\$339,441	(\$313,272)	\$436,626
<b>Revenue Requirement</b>	<b>\$1,031,337</b>	<b>\$867,435</b>	<b>\$963,492</b>	<b>\$452,757</b>	<b>\$867,396</b>	<b>\$861,599</b>	<b>\$1,267,974</b>	<b>\$848,928</b>	<b>\$800,848</b>	<b>\$443,619</b>	<b>\$379,993</b>	<b>\$1,229,815</b>	<b>\$10,015,193</b>

1/ Projected Capital Structure with authorized return on equity.

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

2/ 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**  
**Renewable Resource Cost Adjustment**  
**Revenue Requirement - Wind Resources**  
**Actual/Projected Year End 2024**

Exhibit 5  
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	Actual					
	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024
<b>Rate Base</b>						
Plant Balance						
Thunder Spirit Production	\$142,376,630	\$142,214,606	\$142,214,606	\$142,216,403	\$142,216,403	\$142,221,073
Thunder Spirit Transmission	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799
Thunder Spirit Expansion	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619
Cedar Hills Production	31,712,951	31,652,985	31,652,985	31,656,459	31,737,715	31,737,715
Diamond Willow Production	39,725,627	39,685,380	39,699,835	39,700,015	39,228,085	39,265,994
Diamond Willow Transmission	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578
<b>Total Plant Balance</b>	<b>283,225,204</b>	<b>282,962,967</b>	<b>282,977,422</b>	<b>282,982,873</b>	<b>282,592,199</b>	<b>282,634,778</b>
Accumulated Reserve						
Thunder Spirit Production	\$41,174,678	\$41,692,103	\$42,228,907	\$42,765,711	\$43,302,523	\$43,839,335
Thunder Spirit Transmission	684,337	688,195	692,053	695,911	699,769	703,627
Thunder Spirit Expansion	12,792,420	13,010,632	13,228,843	13,447,054	13,665,265	13,883,477
Cedar Hills Production	17,973,224	18,064,906	18,170,772	18,276,638	18,382,521	18,488,739
Diamond Willow Production	11,309,361	11,433,889	11,575,113	11,702,288	10,842,600	10,968,516
Diamond Willow Transmission	636,421	637,901	639,381	640,860	642,340	643,820
Decommissioning Balance	3,487,493	3,536,180	3,584,867	3,633,554	3,682,241	3,730,928
<b>Total Accumulated Reserve</b>	<b>88,057,934</b>	<b>89,063,806</b>	<b>90,119,936</b>	<b>91,162,016</b>	<b>91,217,259</b>	<b>92,258,442</b>
Net Plant in Service	\$195,167,270	\$193,899,161	\$192,857,486	\$191,820,857	\$191,374,940	\$190,376,336
<b>Adds:</b>						
Def. Tax on ND Invest. Tax Credit	\$2,044,583	\$2,060,930	\$2,077,277	\$2,093,624	\$2,109,972	\$2,126,319
Def. Tax on Wind Decommissioning	874,444	887,614	900,784	913,955	927,125	940,295
Deferred Tax on Levelization Reg Liability	5,541,300	5,728,728	5,910,944	6,089,027	6,244,344	6,386,643
<b>Less:</b>						
Accum DIT - Thunder Spirit 1/	\$42,565,040	\$42,404,091	\$42,259,388	\$42,130,415	\$42,017,707	\$41,920,728
Accum DIT - Cedar/Diamond 1/	12,824,618	12,807,000	12,791,161	12,777,043	12,764,706	12,754,091
Levelization Regulatory Liability	22,705,685	23,473,679	24,220,316	24,950,018	25,586,435	26,169,513
Accum. Def. Invest. Tax Credit	7,746,756	7,818,888	7,891,020	7,963,151	8,035,283	8,107,414
<b>Total Rate Base</b>	<b>\$117,785,498</b>	<b>\$116,072,775</b>	<b>\$114,584,606</b>	<b>\$113,096,836</b>	<b>\$112,252,250</b>	<b>\$110,877,847</b>
<b>Return on Rate Base 2/</b>	<b>\$716,136</b>	<b>\$705,722</b>	<b>\$696,674</b>	<b>\$687,629</b>	<b>\$682,494</b>	<b>\$674,137</b>
<b>Expenses</b>						
Operating Expenses						
O&M - Thunder Spirit	\$266,826	\$266,862	\$266,585	\$264,972	\$268,200	\$287,065
O&M - Cedar Hills	22,207	22,690	23,126	27,976	25,351	27,770
O&M - Diamond Willow	32,563	32,093	29,866	25,846	11,723	36,470
<b>Total O&amp;M</b>	<b>321,596</b>	<b>321,645</b>	<b>319,577</b>	<b>318,794</b>	<b>305,274</b>	<b>351,305</b>
Depreciation Expense						
Thunder Spirit Production	\$537,494	\$537,494	\$536,804	\$536,804	\$536,812	\$536,812
Thunder Spirit Transmission	3,859	3,858	3,858	3,858	3,858	3,858
Thunder Spirit Expansion	218,211	218,211	218,211	218,211	218,211	218,211
Cedar Hills Production	106,157	106,157	105,866	105,866	105,883	106,218
Diamond Willow Production	127,263	127,283	127,139	127,183	127,184	125,916
Diamond Willow Transmission	1,480	1,480	1,480	1,480	1,480	1,480
Wind Decommissioning	48,687	48,687	48,687	48,687	48,687	48,687
<b>Total Depreciation</b>	<b>1,043,151</b>	<b>1,043,170</b>	<b>1,042,045</b>	<b>1,042,089</b>	<b>1,042,115</b>	<b>1,041,182</b>
Property taxes 3/	51,787	51,787	51,787	51,787	51,787	51,787
Payroll taxes	3,613	2,966	3,363	3,795	2,393	4,467
<b>Total Expenses</b>	<b>\$1,420,147</b>	<b>\$1,419,568</b>	<b>\$1,416,772</b>	<b>\$1,416,465</b>	<b>\$1,401,569</b>	<b>\$1,448,741</b>
Income before Taxes (EBIT)	(\$1,420,147)	(\$1,419,568)	(\$1,416,772)	(\$1,416,465)	(\$1,401,569)	(\$1,448,741)
Interest Expense 2/	(235,964)	(232,532)	(229,551)	(226,571)	(224,879)	(222,125)
AFUDC Equity Add Back	24,363	24,363	24,363	24,363	24,363	24,363
<b>Taxable income</b>	<b>(\$1,631,748)</b>	<b>(\$1,627,737)</b>	<b>(\$1,621,960)</b>	<b>(\$1,618,673)</b>	<b>(\$1,602,085)</b>	<b>(\$1,646,503)</b>
Income Taxes 4/	(\$398,226)	(\$397,248)	(\$395,838)	(\$395,036)	(\$390,987)	(\$401,827)
Less: ARAM Amortization	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)
Production Tax Credit 5/	(882,469)	(996,356)	(913,307)	(1,290,848)	(961,419)	(993,776)
<b>Net Income Taxes</b>	<b>(\$1,356,643)</b>	<b>(\$1,469,552)</b>	<b>(\$1,385,093)</b>	<b>(\$1,761,832)</b>	<b>(\$1,428,354)</b>	<b>(\$1,471,551)</b>
Operating Income	(\$63,504)	\$49,984	(\$31,679)	\$345,367	\$26,785	\$22,810
<b>Revenue Requirement</b>	<b>\$1,031,337</b>	<b>\$867,435</b>	<b>\$963,492</b>	<b>\$452,757</b>	<b>\$867,396</b>	<b>\$861,599</b>

**Montana-Dakota Utilities Co.**  
**Electric Utility - North Dakota**  
**Renewable Resource Cost Adjustment**  
**Revenue Requirement - Wind Resources**  
**Actual/Projected Year End 2024**

Exhibit 5  
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	Actual			Projected			Average Balance
	July 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024	Dec 2024	
<b>Rate Base</b>							
Plant Balance							
Thunder Spirit Production	\$142,216,403	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965	
Thunder Spirit Transmission	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799	
Thunder Spirit Expansion	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619	
Cedar Hills Production	31,737,715	31,737,715	31,737,715	31,737,715	31,737,715	31,737,715	
Diamond Willow Production	39,265,994	39,258,343	39,391,106	39,391,106	39,391,106	39,391,106	
Diamond Willow Transmission	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578	
<b>Total Plant Balance</b>	<b>282,630,108</b>	<b>282,621,019</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,803,475</b>
Accumulated Reserve							
Thunder Spirit Production	\$44,376,124	\$44,911,498	\$45,448,303	\$45,985,109	\$46,521,915	\$47,058,721	
Thunder Spirit Transmission	707,485	711,343	715,201	719,059	722,917	726,775	
Thunder Spirit Expansion	14,101,688	14,319,899	14,538,111	14,756,322	14,974,533	15,192,744	
Cedar Hills Production	18,594,956	18,701,174	18,807,391	18,913,609	19,019,827	19,126,045	
Diamond Willow Production	11,094,595	11,211,091	11,337,139	11,463,187	11,589,235	11,715,283	
Diamond Willow Transmission	645,299	646,779	648,259	649,739	651,219	652,699	
Decommissioning Balance	3,779,615	3,828,302	3,876,989	3,925,676	3,974,363	4,023,050	
<b>Total Accumulated Reserve</b>	<b>93,299,762</b>	<b>94,330,086</b>	<b>95,371,393</b>	<b>96,412,701</b>	<b>97,454,009</b>	<b>98,495,317</b>	
<b>Net Plant in Service</b>	<b>\$189,330,346</b>	<b>\$188,290,933</b>	<b>\$187,382,389</b>	<b>\$186,341,081</b>	<b>\$185,299,773</b>	<b>\$184,258,465</b>	<b>189,699,920</b>
<b>Adds:</b>							
Def. Tax on ND Invest. Tax Credit	\$2,142,666	\$2,159,013	\$2,249,876	\$2,266,223	\$2,282,570	\$2,298,917	
Def. Tax on Wind Decommissioning	953,465	966,635	979,806	992,977	1,006,148	1,019,319	
Deferred Tax on Levelization Reg Liability	6,549,819	6,733,620	6,904,144	7,058,757	7,210,571	7,407,174	
<b>Less:</b>							
Accum DIT - Thunder Spirit 1/	\$41,839,995	\$41,775,508	\$41,726,751	\$41,694,240	\$41,677,458	\$41,676,941	
Accum DIT - Cedar/Diamond 1/	12,745,254	12,738,195	12,732,858	12,729,299	12,727,462	12,727,405	
Levelization Regulatory Liability	26,838,132	27,591,264	28,289,992	28,923,523	29,545,589	30,351,177	
Accum. Def. Invest. Tax Credit	8,179,546	8,251,678	8,629,142	8,701,274	8,773,406	8,845,538	
<b>Total Rate Base</b>	<b>\$109,373,369</b>	<b>\$107,793,556</b>	<b>\$106,137,472</b>	<b>\$104,610,702</b>	<b>\$103,075,147</b>	<b>\$101,382,814</b>	<b>109,753,573</b>
<b>Return on Rate Base 2/</b>	<b>\$664,990</b>	<b>\$655,385</b>	<b>\$645,316</b>	<b>\$636,033</b>	<b>\$626,697</b>	<b>\$616,408</b>	<b>\$8,007,621</b>
<b>Expenses</b>							
Operating Expenses							Total
O&M - Thunder Spirit	\$266,992	\$267,246	\$285,429	\$271,131	\$271,131	\$870,201	\$3,852,640
O&M - Cedar Hills	37,792	30,086	35,290	28,032	28,032	77,326	385,678
O&M - Diamond Willow	44,194	32,426	39,196	31,597	31,597	96,256	443,827
<b>Total O&amp;M</b>	<b>348,978</b>	<b>329,758</b>	<b>359,915</b>	<b>330,760</b>	<b>330,760</b>	<b>1,043,783</b>	<b>4,682,145</b>
Depreciation Expense							
Thunder Spirit Production	\$536,789	\$536,812	\$536,806	\$536,806	\$536,806	\$536,806	
Thunder Spirit Transmission	3,858	3,858	3,858	3,858	3,858	3,858	
Thunder Spirit Expansion	218,211	218,211	218,211	218,211	218,211	218,211	
Cedar Hills Production	106,218	106,218	106,218	106,218	106,218	106,218	
Diamond Willow Production	126,078	126,078	126,048	126,048	126,048	126,048	
Diamond Willow Transmission	1,480	1,480	1,480	1,480	1,480	1,480	
Wind Decommissioning	48,687	48,687	48,687	48,687	48,687	48,687	
<b>Total Depreciation</b>	<b>1,041,321</b>	<b>1,041,344</b>	<b>1,041,308</b>	<b>1,041,308</b>	<b>1,041,308</b>	<b>1,041,308</b>	<b>12,501,649</b>
Property taxes 3/	51,787	51,787	51,787	51,787	51,787	51,782	621,439
Payroll taxes	4,105	3,917	3,907	3,614	3,614	3,614	43,368
<b>Total Expenses</b>	<b>\$1,446,191</b>	<b>\$1,426,806</b>	<b>\$1,456,917</b>	<b>\$1,427,469</b>	<b>\$1,427,469</b>	<b>\$2,140,487</b>	<b>\$17,848,601</b>
Income before Taxes (EBIT)	(\$1,446,191)	(\$1,426,806)	(\$1,456,917)	(\$1,427,469)	(\$1,427,469)	(\$2,140,487)	(\$17,848,601)
Interest Expense 2/	(219,111)	(215,946)	(212,629)	(209,570)	(206,494)	(203,104)	(2,638,476)
AFUDC Equity Add Back	24,363	24,363	24,363	24,363	24,363	24,366	292,359
Taxable income	(\$1,640,939)	(\$1,618,389)	(\$1,645,183)	(\$1,612,676)	(\$1,609,600)	(\$2,319,225)	(\$20,194,718)
Income Taxes 4/	(\$400,470)	(\$394,966)	(\$401,505)	(\$393,572)	(\$392,821)	(\$566,005)	(\$4,928,501)
Less: ARAM Amortization	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,951)	(911,379)
Production Tax Credit 5/	(676,237)	(969,529)	(1,019,378)	(1,258,628)	(1,298,141)	(1,185,259)	(12,445,347)
<b>Net Income Taxes</b>	<b>(\$1,152,655)</b>	<b>(\$1,440,443)</b>	<b>(\$1,496,831)</b>	<b>(\$1,728,148)</b>	<b>(\$1,766,910)</b>	<b>(\$1,827,215)</b>	<b>(\$18,285,227)</b>
<b>Operating Income</b>	<b>(\$293,536)</b>	<b>\$13,637</b>	<b>\$39,914</b>	<b>\$300,679</b>	<b>\$339,441</b>	<b>(\$313,272)</b>	<b>\$436,626</b>
<b>Revenue Requirement</b>	<b>\$1,267,974</b>	<b>\$848,928</b>	<b>\$800,848</b>	<b>\$443,619</b>	<b>\$379,993</b>	<b>\$1,229,815</b>	<b>\$10,015,193</b>

**2024 Footnotes:**

Factor 271 - Integrated Peak and Energy

2024 71.843412%

1/ Monthly Deferred Income Tax activity is 1/12 of projected 2024 DIT activity.

	Thunder Spirit I & Expand	Cedar Hills / Diamond Willow				
DIT activity 2024:	(\$3,196,205)	(\$349,861)				
ND Fac. #271:	71.843412%	71.843412%				
North Dakota activity 2024:	(\$2,296,263)	(\$251,352)				
Monthly:	(\$191,355)	(\$20,946)				
	January	February	March	April	May	June
	91.78%	84.11%	75.62%	67.40%	58.90%	50.68%
Thunder Spirit:	(\$175,626)	(\$160,949)	(\$144,703)	(\$128,973)	(\$112,708)	(\$96,979)
Cedar/Diamond:	(\$19,224)	(\$17,618)	(\$15,839)	(\$14,118)	(\$12,337)	(\$10,615)
	July	August	September	October	November	December
	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
Thunder Spirit:	(\$80,733)	(\$64,487)	(\$48,757)	(\$32,511)	(\$16,782)	(\$517)
Cedar/Diamond:	(\$8,837)	(\$7,059)	(\$5,337)	(\$3,559)	(\$1,837)	(\$57)

2/ Projected Capital Structure with authorized return on equity.

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

3/ Property tax (Thunder Spirit accrues generation taxes in lieu of ad valorem taxes for production)

Thunder Spirit - Generation:	\$646,969
Cedar Hills:	24,535
Diamond Willow:	193,487
	\$864,991
ND Fac. #271:	71.843412%
Total projected 2023 North Dakota:	\$621,439
Monthly:	\$51,787

4/ Tax Rate 24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)  
1- tax rate 75.5951%

5/ Production Tax Credit. Diamond Willow generation is Phase 1 repowered turbines eligible for PTCs.  
See Exhibit 5, page 10 for levelization adjustment.

	January	February	March	April	May	June
Thunder Spirit:	37,468,000	42,902,000	39,645,000	55,289,000	40,661,000	43,150,000
Projected PTC (rate \$.029/Kwh):	\$1,086,572	\$1,244,158	\$1,149,705	\$1,603,381	\$1,179,169	\$1,251,350
Projected ND PTC (Fac. #271):	\$780,630	\$893,846	\$825,987	\$1,151,924	\$847,155	\$899,013
	July	August	September	October	November	December
Thunder Spirit:	29,770,000	42,639,000	44,263,000	53,071,500	56,860,000	48,562,000
Projected PTC (rate \$.029/Kwh):	\$863,330	\$1,236,531	\$1,283,627	\$1,539,074	\$1,648,940	\$1,408,298
Projected ND PTC (Fac. #271):	\$620,246	\$888,366	\$922,201	\$1,105,723	\$1,184,655	\$1,011,769
	January	February	March	April	May	June
Diamond Willow (Eligible for PTC):	4,887,990	4,920,190	4,191,100	6,667,980	5,484,350	4,548,340
Projected PTC (rate \$.029/Kwh):	\$141,752	\$142,686	\$121,542	\$193,371	\$159,046	\$131,902
Projected ND PTC (Fac. #271):	\$101,839	\$102,510	\$87,320	\$138,924	\$114,264	\$94,763
	July	August	September	October	November	December
Diamond Willow (Eligible for PTC):	2,687,430	3,895,580	4,664,200	7,339,000	5,447,000	8,327,000
Projected PTC (rate \$.029/Kwh):	\$77,935	\$112,972	\$135,262	\$212,831	\$157,963	\$241,483
Projected ND PTC (Fac. #271):	\$55,991	\$81,163	\$97,177	\$152,905	\$113,486	\$173,490

**Montana-Dakota Utilities Co.**  
**Electric Utility - North Dakota**  
**Renewable Resource Cost Adjustment**  
**Revenue Requirement - Wind Resources**  
**Projected Year End 2025**

Exhibit 5  
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	Projected					
	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025
<b>Rate Base</b>						
<b>Plant Balance</b>						
Thunder Spirit Production	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965
Thunder Spirit Transmission	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799
Thunder Spirit Expansion	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619
Cedar Hills Production	31,737,715	31,737,715	31,737,715	31,737,715	31,737,715	31,737,715
Diamond Willow Production	39,391,106	39,391,106	39,391,106	39,391,106	39,391,106	39,391,106
Diamond Willow Transmission	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578
<b>Total Plant Balance</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,753,782</b>
<b>Accumulated Reserve</b>						
Thunder Spirit Production	\$47,595,527	\$48,132,333	\$48,669,139	\$49,205,945	\$49,742,751	\$50,279,557
Thunder Spirit Transmission	730,633	734,491	738,349	742,207	746,065	749,923
Thunder Spirit Expansion	15,410,955	15,629,166	15,847,377	16,065,588	16,283,799	16,502,010
Cedar Hills Production	19,232,263	19,338,481	19,444,699	19,550,917	19,657,135	19,763,353
Diamond Willow Production	11,841,331	11,967,379	12,093,427	12,219,475	12,345,523	12,471,571
Diamond Willow Transmission	654,179	655,659	657,139	658,619	660,099	661,579
Decommissioning Balance	4,085,891	4,148,732	4,211,573	4,274,414	4,337,255	4,400,096
<b>Total Accumulated Reserve</b>	<b>99,550,779</b>	<b>100,606,241</b>	<b>101,661,703</b>	<b>102,717,165</b>	<b>103,772,627</b>	<b>104,828,089</b>
<b>Net Plant in Service</b>	<b>\$183,203,003</b>	<b>\$182,147,541</b>	<b>\$181,092,079</b>	<b>\$180,036,617</b>	<b>\$178,981,155</b>	<b>\$177,925,693</b>
<b>Adds:</b>						
Def. Tax on ND Invest. Tax Credit 1/	\$2,325,462	\$2,352,007	\$2,378,552	\$2,405,097	\$2,431,642	\$2,458,187
Def. Tax on Wind Decommissioning 5/	1,034,655	1,049,991	1,065,327	1,080,663	1,095,999	1,111,335
Deferred Tax on Levelization Reg Liability	7,685,182	7,917,882	8,144,110	8,365,208	8,558,040	8,734,711
<b>Less:</b>						
Accum DIT - Thunder Spirit 2/	\$40,269,278	\$40,108,789	\$39,964,499	\$39,835,894	\$39,723,507	\$39,626,805
Accum DIT - Cedar/Diamond 2/	\$12,569,907	\$12,549,211	\$12,530,604	\$12,514,020	\$12,499,527	\$12,487,057
Levelization Regulatory Liability	31,490,323	32,443,819	33,370,800	34,276,756	35,066,893	35,790,808
Accum. Def. Invest. Tax Credit 1/	8,954,307	9,063,076	9,171,845	9,280,614	9,389,383	9,498,152
<b>Total Rate Base</b>	<b>\$100,964,487</b>	<b>\$99,302,526</b>	<b>\$97,642,320</b>	<b>\$95,980,301</b>	<b>\$94,387,526</b>	<b>\$92,827,104</b>
<b>Return on Rate Base 3/</b>	<b>\$613,864</b>	<b>\$603,759</b>	<b>\$593,665</b>	<b>\$583,560</b>	<b>\$573,876</b>	<b>\$564,389</b>
<b>Expenses</b>						
<b>Operating Expenses 4/</b>						
O&M - Thunder Spirit	\$279,708	\$279,708	\$279,708	\$279,708	\$279,708	\$279,708
O&M - Cedar Hills	31,107	31,107	31,107	31,107	31,107	31,107
O&M - Diamond Willow	36,442	36,442	36,442	36,442	36,442	36,442
<b>Total O&amp;M</b>	<b>347,257</b>	<b>347,257</b>	<b>347,257</b>	<b>347,257</b>	<b>347,257</b>	<b>347,257</b>
<b>Depreciation Expense</b>						
Thunder Spirit Production	\$536,806	\$536,806	\$536,806	\$536,806	\$536,806	\$536,806
Thunder Spirit Transmission	3,858	3,858	3,858	3,858	3,858	3,858
Thunder Spirit Expansion	218,211	218,211	218,211	218,211	218,211	218,211
Cedar Hills Production	106,218	106,218	106,218	106,218	106,218	106,218
Diamond Willow Production	126,048	126,048	126,048	126,048	126,048	126,048
Diamond Willow Transmission	1,480	1,480	1,480	1,480	1,480	1,480
Wind Decommissioning 5/	62,841	62,841	62,841	62,841	62,841	62,841
<b>Total Depreciation</b>	<b>1,055,462</b>	<b>1,055,462</b>	<b>1,055,462</b>	<b>1,055,462</b>	<b>1,055,462</b>	<b>1,055,462</b>
Property taxes	51,787	51,787	51,787	51,787	51,787	51,787
Payroll taxes	3,614	3,614	3,614	3,614	3,614	3,614
<b>Total Expenses</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>
Income before Taxes (EBIT)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)	(\$1,458,120)
Interest Expense 3/	(202,266)	(198,936)	(195,610)	(192,281)	(189,090)	(185,964)
AFUDC Equity Add Back	24,323	24,323	24,323	24,323	24,323	24,323
<b>Taxable income</b>	<b>(\$1,636,063)</b>	<b>(\$1,632,733)</b>	<b>(\$1,629,407)</b>	<b>(\$1,626,078)</b>	<b>(\$1,622,887)</b>	<b>(\$1,619,761)</b>
Income Taxes 6/	(\$399,280)	(\$398,467)	(\$397,655)	(\$396,843)	(\$396,064)	(\$395,301)
Less: ARAM Amortization	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)
Production Tax Credit 7/	(1,540,280)	(1,024,229)	(1,123,713)	(931,014)	(1,076,878)	(969,725)
<b>Net Income Taxes</b>	<b>(\$2,015,436)</b>	<b>(\$1,498,572)</b>	<b>(\$1,597,244)</b>	<b>(\$1,403,733)</b>	<b>(\$1,548,818)</b>	<b>(\$1,440,902)</b>
<b>Operating Income</b>	<b>\$557,316</b>	<b>\$40,452</b>	<b>\$139,124</b>	<b>(\$54,387)</b>	<b>\$90,698</b>	<b>(\$17,218)</b>
<b>Revenue Requirement</b>	<b>\$74,804</b>	<b>\$745,163</b>	<b>\$601,284</b>	<b>\$843,900</b>	<b>\$639,166</b>	<b>\$769,371</b>

**Montana-Dakota Utilities Co.**  
**Electric Utility - North Dakota**  
**Renewable Resource Cost Adjustment**  
**Revenue Requirement - Wind Resources**  
**Projected Year End 2025**

Exhibit 5  
Page 5 of 10

	Projected						Average Balance
	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	
<b>Rate Base</b>							
<b>Plant Balance</b>							
Thunder Spirit Production	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965	\$142,214,965	
Thunder Spirit Transmission	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799	5,751,799	
Thunder Spirit Expansion	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619	61,224,619	
Cedar Hills Production	31,737,715	31,737,715	31,737,715	32,199,460	32,199,460	32,199,460	
Diamond Willow Production	39,391,106	39,391,106	39,391,106	38,456,924	38,456,924	38,456,924	
Diamond Willow Transmission	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578	2,433,578	
<b>Total Plant Balance</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,753,782</b>	<b>282,281,345</b>	<b>282,281,345</b>	<b>282,281,345</b>	<b>282,635,673</b>
<b>Accumulated Reserve</b>							
Thunder Spirit Production	\$50,816,363	\$51,353,169	\$51,889,975	\$52,426,781	\$52,963,587	\$53,500,393	
Thunder Spirit Transmission	753,781	757,639	761,497	765,355	769,213	773,071	
Thunder Spirit Expansion	16,720,221	16,938,432	17,156,643	17,374,854	17,593,065	17,811,276	
Cedar Hills Production	19,869,571	19,975,789	20,082,007	5,336,130	5,443,814	5,551,498	
Diamond Willow Production	12,597,619	12,723,667	12,849,715	4,021,893	4,144,664	4,267,435	
Diamond Willow Transmission	663,059	664,539	666,019	667,499	668,979	670,459	
Decommissioning Balance	4,462,937	4,525,778	4,588,619	4,651,460	4,714,301	4,777,142	
<b>Total Accumulated Reserve</b>	<b>105,883,551</b>	<b>106,939,013</b>	<b>107,994,475</b>	<b>85,243,972</b>	<b>86,297,623</b>	<b>87,351,274</b>	
<b>Net Plant in Service</b>	<b>\$176,870,231</b>	<b>\$175,814,769</b>	<b>\$174,759,307</b>	<b>\$197,037,373</b>	<b>\$195,983,722</b>	<b>\$194,930,071</b>	<b>183,231,797</b>
<b>Adds:</b>							
Def. Tax on ND Invest. Tax Credit 1/	\$2,484,732	\$2,511,277	\$2,537,822	\$2,564,367	\$2,590,912	\$2,617,457	
Def. Tax on Wind Decommissioning 5/	1,126,671	1,142,007	1,157,343	1,172,679	1,188,015	1,203,351	
Deferred Tax on Levelization Reg Liability	8,937,300	9,165,497	9,377,209	9,569,167	9,757,651	10,001,742	
<b>Less:</b>							
Accum DIT - Thunder Spirit 2/	\$39,546,303	\$39,482,000	\$39,433,382	\$39,400,964	\$39,384,230	\$39,383,715	
Accum DIT - Cedar/Diamond 2/	\$12,476,676	\$12,468,384	\$12,462,114	\$12,457,933	\$12,455,775	\$12,455,709	
Levelization Regulatory Liability	36,620,926	37,555,970	38,423,469	39,210,024	39,982,345	40,982,516	
Accum. Def. Invest. Tax Credit 1/	9,606,921	9,715,690	9,824,459	9,933,228	10,041,997	10,150,766	
<b>Total Rate Base</b>	<b>\$91,168,108</b>	<b>\$89,411,506</b>	<b>\$87,688,257</b>	<b>\$109,341,437</b>	<b>\$107,655,953</b>	<b>\$105,779,915</b>	<b>97,679,120</b>
<b>Return on Rate Base 3/</b>	<b>\$554,302</b>	<b>\$543,622</b>	<b>\$533,145</b>	<b>\$664,796</b>	<b>\$654,548</b>	<b>\$643,142</b>	<b>\$7,126,668</b>
<b>Expenses</b>							
<b>Operating Expenses 4/</b>							
O&M - Thunder Spirit	\$279,708	\$279,708	\$279,708	\$279,708	\$279,708	\$890,811	\$3,967,599
O&M - Cedar Hills	31,107	31,107	31,107	31,107	31,107	81,387	423,564
O&M - Diamond Willow	36,442	36,442	36,442	36,442	36,442	101,101	501,963
<b>Total O&amp;M</b>	<b>347,257</b>	<b>347,257</b>	<b>347,257</b>	<b>347,257</b>	<b>347,257</b>	<b>1,073,299</b>	<b>4,893,126</b>
<b>Depreciation Expense</b>							
Thunder Spirit Production	\$536,806	\$536,806	\$536,806	\$536,806	\$536,806	\$536,806	
Thunder Spirit Transmission	3,858	3,858	3,858	3,858	3,858	3,858	
Thunder Spirit Expansion	218,211	218,211	218,211	218,211	218,211	218,211	
Cedar Hills Production	106,218	106,218	106,218	106,218	107,684	107,684	
Diamond Willow Production	126,048	126,048	126,048	126,048	122,771	122,771	
Diamond Willow Transmission	1,480	1,480	1,480	1,480	1,480	1,480	
Wind Decommissioning 5/	62,841	62,841	62,841	62,841	62,841	62,841	
<b>Total Depreciation</b>	<b>1,055,462</b>	<b>1,055,462</b>	<b>1,055,462</b>	<b>1,055,462</b>	<b>1,053,651</b>	<b>1,053,651</b>	<b>12,661,922</b>
Property taxes	51,787	51,787	51,787	51,787	51,787	51,787	621,444
Payroll taxes	3,614	3,614	3,614	3,614	3,614	3,614	43,368
<b>Total Expenses</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,458,120</b>	<b>\$1,456,309</b>	<b>\$2,182,351</b>	<b>\$18,219,860</b>
<b>Income before Taxes (EBIT)</b>	<b>(\$1,458,120)</b>	<b>(\$1,458,120)</b>	<b>(\$1,458,120)</b>	<b>(\$1,458,120)</b>	<b>(\$1,456,309)</b>	<b>(\$2,182,351)</b>	<b>(\$18,219,860)</b>
Interest Expense 3/	(182,640)	(179,121)	(175,669)	(219,047)	(215,671)	(211,912)	(2,348,207)
AFUDC Equity Add Back	24,323	24,323	24,323	24,323	24,323	24,319	291,872
<b>Taxable income</b>	<b>(\$1,616,437)</b>	<b>(\$1,612,918)</b>	<b>(\$1,609,466)</b>	<b>(\$1,652,844)</b>	<b>(\$1,647,657)</b>	<b>(\$2,369,944)</b>	<b>(\$20,276,195)</b>
Income Taxes 6/	(\$394,490)	(\$393,631)	(\$392,789)	(\$403,375)	(\$402,109)	(\$578,382)	(\$4,948,386)
Less: ARAM Amortization	(75,876)	(75,876)	(75,876)	(75,876)	(75,876)	(75,877)	(910,513)
Production Tax Credit 7/	(958,745)	(763,109)	(935,348)	(1,724,438)	(1,424,816)	(1,899,364)	(14,371,659)
<b>Net Income Taxes</b>	<b>(\$1,429,111)</b>	<b>(\$1,232,616)</b>	<b>(\$1,404,013)</b>	<b>(\$2,203,689)</b>	<b>(\$1,902,801)</b>	<b>(\$2,553,623)</b>	<b>(\$20,230,558)</b>
<b>Operating Income</b>	<b>(\$29,009)</b>	<b>(\$225,504)</b>	<b>(\$54,107)</b>	<b>\$745,569</b>	<b>\$446,492</b>	<b>\$371,272</b>	<b>\$2,010,698</b>
<b>Revenue Requirement</b>	<b>\$771,625</b>	<b>\$1,017,428</b>	<b>\$776,839</b>	<b>(\$106,850)</b>	<b>\$275,224</b>	<b>\$359,640</b>	<b>\$6,767,594</b>

**2025 Footnotes:**

Factor 271 - Integrated Peak and Energy  
2024 71.843412%

1/ Investment tax credit:

Projected 2025 Activity: \$1,305,228  
Monthly Amortization: 108,769  
Monthly Deferred Tax Amortization: 26,545

2/ Monthly Deferred Income Tax activity is 1/12 of projected 2025 DIT activity.

	Thunder Spirit I & Expand	Cedar Hills / Diamond Willow				
DIT activity 2025:	(\$3,187,084)	(\$410,985)				
ND Fac. #271:	71.843412%	71.843412%				
North Dakota activity 2025:	(\$2,289,710)	(\$295,266)				
Monthly:	(\$190,809)	(\$24,606)				
	January	February	March	April	May	June
Thunder Spirit:	91.78%	84.11%	75.62%	67.40%	58.90%	50.68%
Cedar/Diamond:	(\$175,125)	(\$160,489)	(\$144,290)	(\$128,605)	(\$112,387)	(\$96,702)
	(\$22,583)	(\$20,696)	(\$18,607)	(\$16,584)	(\$14,493)	(\$12,470)
	July	August	September	October	November	December
Thunder Spirit:	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
Cedar/Diamond:	(\$80,502)	(\$64,303)	(\$48,618)	(\$32,418)	(\$16,734)	(\$515)
	(\$10,381)	(\$8,292)	(\$6,270)	(\$4,181)	(\$2,158)	(\$66)

3/ Projected Capital Structure with authorized return on equity.

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

4/ Projected O&M - 2025

	Thunder Spirit	Cedar Hills	Diamond Willow
Projected O&M:	\$4,671,968	\$519,574	\$608,686
ND Factor #271:	71.843412%	71.843412%	71.843412%
Budgeted ND O&M:	\$3,356,501	\$373,280	\$437,301
Monthly Budgeted O&M:	279,708	31,107	36,442
Annual Easement (ND Allocated):	611,103	50,280	64,659
December O&M:	\$890,811	\$81,387	\$101,101

5/ Calculation of revised Wind Decommissioning amortization based on updated decommissioning studies. Estimated retirement for Diamond Willow and Cedar Hills in 2035, for Thunder Spirit in 2040, and Thunder Spirit Expansion in 2043.

	Total Company Decomm	ND Decomm	ND Decomm Reserve '24	Net Decomm Balance	Estimated Remaining Life	Annual Amortization
Diamond Willow	\$4,073,220	\$2,926,340	(\$1,077,421)	\$1,848,919	11	\$168,084
Cedar Hills	3,148,387	2,261,909	(811,406)	1,450,503	11	131,864
Thunder Spirit	10,293,127	7,394,934	(1,746,795)	5,648,139	16	353,009
TS Expansion	3,214,039	2,309,075	(387,428)	1,921,647	19	101,139
	\$20,728,773	\$14,892,258	(\$4,023,050)	\$10,869,208		\$754,096
						<b>Monthly Decommissioning Amortization: 62,841</b>
						<b>Monthly Deferred Tax Amortization: 15,336</b>

6/ Tax Rate  
1- tax rate

24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)  
75.5951%

7/ Production Tax Credit. Diamond Willow generation Phase 2 turbines and Cedar Hills are eligible for PTCs when repower projects are placed into service. See Exhibit 5, page 10 for levelization adjustment.

	January	February	March	April	May	June
Thunder Spirit:	67,910,000	44,200,000	48,670,000	40,220,000	47,150,000	41,760,000
Projected PTC (rate \$.029/Kwh):	\$1,969,390	\$1,281,800	\$1,411,430	\$1,166,380	\$1,367,350	\$1,211,040
Projected ND PTC (Fac. #271):	\$1,414,877	\$920,889	\$1,014,019	\$837,967	\$982,351	\$870,052

  

	July	August	September	October	November	December
Thunder Spirit:	41,870,000	33,240,000	41,150,000	65,250,000	55,240,000	71,360,000
Projected PTC (rate \$.029/Kwh):	\$1,214,230	\$963,960	\$1,193,350	\$1,892,250	\$1,601,960	\$2,069,440
Projected ND PTC (Fac. #271):	\$872,344	\$692,542	\$857,343	\$1,359,457	\$1,150,903	\$1,486,756

  

	January	February	March	April	May	June
Diamond Willow Phase 1:	6,019,000	4,960,000	5,265,000	4,466,000	4,537,000	4,784,000
Projected PTC (rate \$.029/Kwh):	\$174,551	\$143,840	\$152,685	\$129,514	\$131,573	\$138,736
Projected ND PTC (Fac. #271):	\$125,403	\$103,340	\$109,694	\$93,047	\$94,527	\$99,673

  

	July	August	September	October	November	December
Diamond Willow Phase 1:	4,147,000	3,387,000	3,744,000	7,339,000	5,447,000	8,327,000
Projected PTC (rate \$.029/Kwh):	\$120,263	\$98,223	\$108,576	\$212,831	\$157,963	\$241,483
Projected ND PTC (Fac. #271):	\$86,401	\$70,567	\$78,005	\$152,905	\$113,486	\$173,490

  

	October	November	December
Cedar Hills (Eligible for PTC):	6,030,000	4,620,000	6,770,000
Projected PTC (rate \$.029/Kwh):	\$174,870	\$133,980	\$196,330
Projected ND PTC (Fac. #271):	\$125,633	\$96,256	\$141,050

  

	October	November	December
Diamond Willow Phase 2 (Eligible for PTC):	4,149,000	3,080,000	4,707,000
Projected PTC (rate \$.029/Kwh):	\$120,321	\$89,320	\$136,503
Projected ND PTC (Fac. #271):	\$86,443	\$64,171	\$98,068

**MONTANA-DAKOTA UTILITIES CO.  
PLANT / DEPRECIATION ADDITIONS - 2025  
NORTH DAKOTA RENEWABLE RIDER  
PROJECTED YEAR 2025**

**Cedar Hills Additions:**

**FP-325390 Repower**

Plant Additions:	\$20,890,338
Plant in Service:	\$20,890,338
ND Fac. #271:	<u>71.843412%</u>
ND Plant:	\$15,008,332 1/
Depreciation rate:	<u>3.81%</u>
Annual ND Depreciation:	\$571,817
Monthly Depreciation:	\$47,651 1/

1/ Plant balance estimated in service October 2025.  
Depreciation expense begins November 2025.

**FP-325902 Replace SCADA Controls**

Plant Additions:	\$425,242
Plant in Service:	\$425,242
ND Fac. #271:	<u>71.843412%</u>
ND Plant:	\$305,508 1/
Depreciation rate:	<u>3.81%</u>
Annual ND Depreciation:	\$11,640
Monthly Depreciation:	\$970 1/

1/ Plant balance estimated in service October 2025.  
Depreciation expense begins November 2025.

**Cedar Hills Retirement Adjustment:**

Book Plant Retirement:	\$20,672,870
ND Fac. #271:	<u>71.843412%</u>
Reduction to ND Plant and Reserve:	\$14,852,095 5/
Depreciation rate:	<u>3.81%</u>
Annual Reduction to ND Depr Expense:	\$565,865
Monthly Reduction to ND Depr Expense:	\$47,155 5/

5/ Reduction to the Cedar Hills Production plant and reserve balance in October 2025. The reduction to depreciation expense begins in November 2025.

**MONTANA-DAKOTA UTILITIES CO.  
PLANT / DEPRECIATION ADDITIONS - 2025  
NORTH DAKOTA RENEWABLE RIDER  
PROJECTED YEAR 2025**

**Diamond Willow Additions:**

**FP-325306 Repower Phase 2**

Plant Additions:	\$11,162,733
Plant in Service:	\$11,162,733
ND Fac. #271:	<u>71.843412%</u>
ND Plant:	\$8,019,688 1/
Depreciation rate:	<u>4.21%</u>
Annual ND Depreciation:	\$337,629
Monthly Depreciation:	\$28,136 1/

1/ Plant balance estimated in service October 2025.  
Depreciation expense begins November 2025.

**Diamond Willow Retirement Adjustment:**

Book Plant Retirement:	\$12,463,036
ND Fac. #271:	<u>71.843412%</u>
Reduction to ND Plant and Reserve:	\$8,953,870 5/
Depreciation rate:	<u>4.21%</u>
Annual Reduction to ND Depr Expense:	\$376,958
Monthly Reduction to ND Depr Expense:	\$31,413 5/

5/ Reduction to the Diamond Willow Production plant and reserve balance in October 2025. The reduction to depreciation expense begins in November 2025.

**REVENUE REQUIREMENT LEVELIZATION ADJUSTMENT  
NORTH DAKOTA RENEWABLE RIDER**

<u>Thunder Spirit:</u>			<u>Diamond Willow Phase 1:</u>		
<u>Estimated total PTC value, 2020 - 2028</u>			<u>Estimated total PTC value, 2022 - 2032</u>		
Year	PTC Total		Year	PTC Total	
2020	\$10,454,846	1/	2022	\$229,043	1/
2021	9,759,184	1/	2023	1,054,919	1/
2022	10,552,960	1/	2024	1,313,832	1/
2023	9,612,345	1/	2025	1,300,538	2/
2024	11,131,515	1/	2026	1,164,163	3/
2025	12,459,500	2/	2027	1,164,163	3/
2026	3,125,342	3/	2028	1,164,163	3/
2027	3,125,342	3/	2029	1,164,163	3/
2028	3,125,342	3/	2030	1,164,163	3/
Total Thunder Spirit PTC Value: \$73,346,376			2031	1,164,163	3/
		6.6% 4/	2032	882,086	3/
		\$4,840,861	Total Diamond Willow PTC Value: \$11,765,396		
Difference, 2025 Projected to 2025 Levelized: \$7,618,639					7.5% 5/
					\$882,405
<b>2025 Levelized - Grossed Up for Tax: \$10,078,218</b>			Difference, 2025 Projected to 2025 Levelized: \$418,133		
			<b>2025 Levelized - Grossed Up for Tax: \$553,122</b>		

1/ Reflects actual PTC through September 2024, projected October - December 2024.

2/ Reflects updated projected PTC for 2025.

3/ Estimated annual PTCs.

4/ 2025 Thunder Spirit levelization factor per Commission's Order in Case Nos. PU-19-355 and PU-20-440.

5/ 2025 Diamond Willow Phase 1 levelization factor approved per Commission's Order in Case No. PU-21-420.

## Notice of Annual Update to the Renewable Resource Cost Adjustment with the North Dakota Public Service Commission

On November 1, 2024, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the North Dakota Public Service Commission (Commission) to update its Renewable Resource Cost Adjustment (RRCA) rates in accordance with the Company's Renewable Resource Cost Adjustment Rate 55 tariff that states the rates will be revised annually to reflect the most recent projected level of costs to be recovered.

The proposed Renewable Resource Cost Adjustment rates reflect North Dakota's allocation of the Company's investments in its three wind facilities (Diamond Willow, Cedar Hills, and Thunder Spirit) currently not being recovered through the Company's electric service rates and the amortization of the under-recovered RRCA balance through January 2025.

Montana-Dakota has requested the proposed RRCA 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 a decrease of \$1.14 per month, or \$13.68 annually. The RRCA is shown as a separate line item on your bill.

	Residential & Small General
Applicable Rate Schedules	10, 13, 16, 20, 25, & 40
Current Rate	\$0.01033 per Kwh
Proposed Rate	\$0.00890 per Kwh
Change	(\$0.00143) per Kwh
	Large General
Applicable Rate Schedules	30, 31, 32, 38, 48, and contracts
Current Rate	\$0.00979 per Kwh
Proposed Rate	\$0.00832 per Kwh
Change	(\$0.00147) per Kwh
	Lighting
Applicable Rate Schedules	41 & 52
Current Rate	\$0.00954 per Kwh
Proposed Rate	\$0.00832 per Kwh
Change	(\$0.00122) per Kwh

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