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February 14, 2025

Mr. Steve Kahl  
Director of Administration/Executive Secretary  
North Dakota Public Service Commission  
State Capitol  
600 East Boulevard, Dept. 408  
Bismarck, ND 58505-0408

**RE: In the Matter of Otter Tail Power Company's Request for Approval of its  
2025 Renewable Resource Cost Recovery Adjustment Factor  
Case No. PU-24-390  
Supplemental Filing**

Dear Mr. Kahl:

This Supplemental Filing to Otter Tail Power Company's (Otter Tail Power or the Company) 2025 Renewable Resource Cost Recovery (RRCR) Adjustment Factor is submitted in response to the North Dakota Public Service Commission's (the Commission) December 31, 2024 Order in the Company's most recent general rate case (the 2024 Rate Case).<sup>1</sup> Specifically, the Company is providing new and revised attachments to the Company's December 31, 2024 RRCR Initial Filing that reflect the following aspects of the resolution of the 2024 Rate Case:

1. Investment Tax Credits (ITCs) related to original projects at the Langdon, Luverne, and Ashtabula I Wind Energy Facilities are no longer in base rates and are included in the RRCR.
2. The Langdon Upgrade Project and the associated estimated levelized Production Tax Credits (PTCs) are included in base rates. The difference between actual levelized PTCs and the levelized PTC amounts included in base rates will be reflected in the rider and trued-up through annual filings.
3. A regulatory liability associated with the levelization of PTCs for each wind facility project is included in the RRCR tracker.
4. RRCR tracker reflecting final 2024 Test Year allocation factors and capital structure.
5. The forecasted annual sale/use of PTCs earned by Merricourt and the Upgrade Projects are included in the RRCR tracker.

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<sup>1</sup> In the Matter of the Application and Notice of Otter Tail Power Company for Authority to Increase Rates for Electric Service in North Dakota, Case No. PU-23-342, Order dated December 31, 2024.

- The proration has been removed from the Accumulated Deferred Income Tax (ADIT) calculation for the Federal PTC tax asset line for Merricourt and the Upgrade Projects.

Further, as discussed in more detail below, the new and revised attachments reflect the difference between book depreciation in base rates for the Langdon Upgrade Project and actual book depreciation and property taxes for the Langdon Upgrade Project. All of these issues are discussed below.

### **Change from Initial Filing to Supplemental Filing**

The table below provides the changes in the revenue requirement and customer rate between the Initial Filing and the Supplemental Filing. November 2024 through January 2025 forecasted numbers are updated in this Supplemental Filing.

**Table 1: Initial Filing vs. Supplemental Filing**

	<b>Initial Filing</b>	<b>Supplemental Filing</b>	<b>Difference</b>
<b>Revenue Requirement</b>	95,093	(2,743,090)	(2,838,183)
<b>Rate</b>	0.081%	-2.341%	-2.422%

### **Investment Tax Credits**

As part of the 2024 Rate Case Settlement Agreement, the parties agreed that the ITCs should be accounted for in the RRCR rather than in base rates, as explained in the excerpt below.

*“OTP received North Dakota Investment Tax Credits (ITCs) for its legacy wind farms (Langdon, Ashtabula, Luverne). The tax credits were earned when those wind farms were placed into service in 2007 through 2009.*

*Since earning the North Dakota ITCs, neither OTP nor Otter Tail Corporation (OTC) has had sufficient North Dakota tax liability to utilize all of the ITCs on tax returns. Yet, during each of these years, OTP has been providing customers with ITC benefits through credits to Renewable Resources Cost Recovery (RRCR) rider rates or base rates. The fact that OTP has been crediting ITC benefits to customers before they are able to be used on a tax return results in a tax asset.*

*ITC benefits are being provided to customers on a normalized basis over the life of the associated assets. This means that OTP acquired the North Dakota ITCs faster than they are being credited to customers, resulting in a regulatory liability.*

*For purpose of settlement, the Parties agree that the North Dakota ITC tax asset, regulatory liability and annual crediting of ITC benefits should occur in the RRCR rider rather than in base rates. OTP anticipates that it (or OTC) will have greater North Dakota tax liability going forward. As North Dakota ITCs are utilized to offset tax liability, it will reduce the associated tax asset. Moving all components of the North Dakota ITC to the RRCR rider allows for the change in the tax asset to be*

*incorporated into rates faster than would be the case if components remained in base rates.”*

The Commission’s Findings of Fact Item 2a<sup>2</sup> states that “OTP’s unused North Dakota investment tax credits (ITC) will be tracked and offset as they are used in the renewable resource cost recovery rider (RRCR).” The movement of the ITCs from base rates to the RRCR rider decreases the RRCR revenue requirement by approximately \$339,000. The calculation for the ITCs in the RRCR is shown in Attachment 15.

### **Langdon Upgrade Project**

The excerpt below discusses how the parties agreed to address the Langdon Upgrade Project and associated PTCs in the RRCR rider and base rates.

*“The Parties agree that the Langdon Upgrade Project is to be incorporated in the 2024 Test Year, as recommended by OTP. In recognition of the fact that the costs of the Langdon Upgrade Project will be recovered in base rates, base rates also will include approximately \$4.2 million (OTP Total) / \$1.9 million (OTP ND) of Langdon Upgrade Project Production Tax Credits (PTCs). Actual PTCs will continue to be trued-up in annual RRCR filings.”<sup>3</sup>*

This change causes an increase in the RRCR revenue requirement of approximately \$124,000. The calculation of the PTC true up mentioned above is shown in Attachment 6a.

The 2024 Rate Case established base rates for the Langdon Upgrade Project utilizing a 35-year depreciable life. The PTC Levelization in base rates, however, reflects the actual Langdon Wind Facility remaining life, which currently is 18 years. Otter Tail Power requests that the RRCR revenue requirement capture the difference between the 35-year depreciable life used to calculate project-related base rates (i.e. depreciation expense and accumulated depreciation) and the actual 18-year depreciable life. This change will mean that all Langdon Upgrade Project costs and PTCs are treated on a similar basis. Also, Otter Tail Power intends to propose a revision to the Langdon Upgrade Project useful life in its next depreciation filing. If that request is approved, the RRCR can be used to capture the effects of the new useful life on Langdon Upgrade Project costs and PTCs.

Property tax for the Langdon Upgrade Project was not included in the 2024 Test Year, but the facility is subject to property tax through 2026. Beginning in 2027, the facility will be subject to capacity tax rather than property tax. The addition of property tax, along with the book depreciation difference between what is reflected in base rates and the actual useful life, is shown in Attachment 6b. This change causes an increase in the RRCR revenue requirement of approximately \$597,000. Conversely, placing the Langdon Upgrade Project PTCs on a useful life that matches the 35-year depreciable life would increase the RRCR revenue requirement by \$1.8 million.

### **Regulatory Liability in the RRCR**

Otter Tail Power has incorporated a regulatory liability associated with the levelization of PTCs into the RRCR tracker, as discussed in the 2024 Rate Case Settlement Agreement.<sup>4</sup> The regulatory liability is shown on Line No. 3 in Revised Attachment 5 and

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<sup>2</sup> In the Matter of the Application and Notice of Otter Tail Power Company for Authority to Increase Rates for Electric Service in North Dakota, Case No. PU-23-342, Order dated December 31, 2024.

<sup>3</sup> Otter Tail Power’s December 11, 2024, Settlement Agreement in Case No. PU-23-342, Page 7.

<sup>4</sup> Otter Tail Power’s December 11, 2024, Settlement Agreement in Case No. PU-23-342, Page 8.

Attachment 6a, and on Line No. 14 in Revised Attachments 7, 8, and 9. The inclusion of a regulatory liability decreases the RRCR revenue requirement by approximately \$3.0 million.

### **Updated Allocation Factors and Capital Structure**

The updated allocation factors and capital structure approved in the 2024 Rate Case are included in the new and revised attachments. These updates increase the RRCR revenue requirement by approximately \$242,000.

### **Forecasted Annual Use of Earned PTCs**

Otter Tail Power's earned PTCs are applied to Otter Tail Corporation's consolidated tax return when possible. The tax use of the earned PTCs is forecasted on an annual basis in the tracker and tried up each year when actuals become known. The forecasted amount of PTCs used on the tax return is included in the calculation of Line No. 3 in Attachment 6a and Line No. 15 in Revised Attachments 7, 8, and 9. The inclusion of the forecasted use of the PTCs decreases the RRCR revenue requirement by approximately \$691,000.

### **Removal of Proration from PTCs**

In its RRCR Initial Filing, Otter Tail Power included the factor on the "ADIT-prorated" line in the calculation of the "Accumulated Deferred Inc. Taxes – Federal PTC" line in each of the wind projects in Attachments 5-9. Only the ADIT related to the difference between book and tax depreciation should be multiplied by the ADIT proration factor. The ADIT proration factor has been removed from the calculation of the "Accumulated Deferred Inc. Taxes – Federal PTC" line in each of the Attachments 5-9. This change increases the RRCR revenue requirement by approximately \$157,000.

### **Conclusion**

Otter Tail Power respectfully requests the Commission approve its RRCR filing with the updates included in this supplemental filing. Revised Attachments 2 through 11 and new Attachments 6a, 6b, and 15 reflecting the changes discussed above are provided with this filing.

Copies have been sent to you via USPS.

Please contact me at (218) 739-8313 or [eketelsen@otpc.com](mailto:eketelsen@otpc.com) if you have any questions regarding this filing.

Sincerely,

*/s/ EMILY KETELSEN*  
Emily Ketelsen  
Rates Analyst  
Regulatory Economics

sjw  
Enclosures  
By electronic filing and U.S. mail

**OTTER TAIL POWER COMPANY  
2025 RRCR SUPPLEMENTAL FILING ATTACHMENTS**

Revised Attachment 2	Summary of Revenue Requirements
Revised Attachment 3	Rate Design
Revised Attachment 4	Renewable Resource Tracker Report
Revised Attachment 5	Merricourt Facility PTCs Tracker
Revised Attachment 6	Langdon Upgrade Facility Tracker
Attachment 6a	Langdon Upgrade Facility PTC True-Up
Attachment 6b	Langdon Upgrade Facility Depreciation & Property Tax True-Up
Revised Attachment 7	Ashtabula I Upgrade Facility Tracker
Revised Attachment 8	Luverne Upgrade Facility Tracker
Revised Attachment 9	Ashtabula III Upgrade Facility Tracker
Revised Attachment 10	ADIT Prorate Projection
Revised Attachment 11	ADIT Prorate True-Up
Attachment 15	Income Tax Credits

**Summary of Revenue Requirements**

Line No.	Revenue Requirements	April 2025 - March 2026
1	Revenue Requirements	\$ (375,154)
2	Carrying Cost	(53,967)
3	True up	<u>(2,313,969)</u>
4	Total	<u>\$ (2,743,090)</u>

**Rate Design Calculation**

Line No.	Rate Design	April 2025 - March 2026
1	Forecasted Retail Revenue, all classes	\$ 117,168,208
2	Revenue Requirements	\$ (2,743,090)
3	Percentage of Revenue Rate	-2.341%

Line No.	TRACKER SUMMARY Requirements Compared to Billed:	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2025	2025	2025	2025	
		April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	Year-End Actual	January Actual	February Forecast	March Forecast	Period Recovery	
1	Revenue Requirements															
2	Merricourt Wind Energy Center PTCS Only	(169,822)	(169,822)	(169,822)	(169,822)	(169,822)	(169,822)	(169,822)	(169,822)	(169,822)	(2,037,868)	(339,393)	(339,393)	(339,393)	(2,546,579)	
3	Langdon Repower	106,986	106,986	106,986	106,986	106,986	106,986	(105,041)	(60,620)	(9,981)	787,228	59,557	62,456	31,228	619,512	
4	Langdon Repower PTC True-Up										-			4,833	4,833	
5	Langdon Repower Depr & Prop tax True-Up													23,815	23,815	
6	Ashtabula Repower	45,285	45,285	45,285	45,285	45,285	45,285	45,285	45,285	45,285	543,424	145,443	145,443	145,443	843,896	
7	Luverne Repower	66,412	66,412	66,412	66,412	66,412	66,412	66,412	66,412	66,412	796,945	196,503	196,503	196,503	1,187,217	
8	Ashtabula III Repower	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	685,613	179,805	179,805	179,805	1,053,625	
9	ITCs	(8,881)	(8,881)	(8,881)	(8,881)	(8,881)	(8,881)	(8,881)	(8,881)	(8,881)	(106,571)	(15,464)	(15,464)	(15,464)	(126,322)	
10	Total Revenue Requirements	97,114	97,114	97,114	97,114	97,114	97,114	(114,912)	(70,492)	(19,853)	668,770	226,450	229,349	226,769	1,059,996	
11	Preservation of ADIT Proration	547	547	547	547	547	547	547	547	547	5,179	547	547	547	6,569	
12	Renewable Energy Certificate Sales	-	-	(686,000)	-	-	-	-	-	-	(686,000)	(6,649)	-	-	(692,649)	
13	Net Revenue Requirement	97,662	97,662	(588,338)	97,662	97,662	97,662	(114,365)	(69,944)	(19,306)	(12,050)	220,349	229,896	227,317	373,916	
14	Billed (forecast kWh x adj factor)	94,953	195,721	195,485	233,155	249,398	256,074	226,614	210,988	233,439	2,703,551	265,150	245,101	231,582	2,637,661	
15	Monthly Revenue Difference	3,052	(97,697)	(784,074)	(140,667)	(157,792)	(165,459)	(349,064)	(291,209)	(264,849)		(58,568)	(29,340)	(18,585)		
16	Cumulative Difference	57,770	(39,927)	(824,001)	(964,668)	(1,122,459)	(1,287,918)	(1,636,982)	(1,928,191)	(2,193,041)		(2,251,609)	(2,280,948)	(2,299,533)		
17	Carrying Cost Adj. for rate calculation	-	-	-	-	-	-	-	-	-	(4,805)	-	-	(14,779)	(14,779)	
18	Adjusted Cumulative Difference	58,114	(39,583)	(823,657)	(964,324)	(1,122,116)	(1,287,575)	(1,636,639)	(1,927,848)	(2,192,697)		(2,251,265)	(2,280,605)	(2,313,969)		
19	Carrying Charge Calculation	363	(251)	(5,173)	(6,056)	(7,046)	(8,085)	(10,276)	(12,105)	(13,767)	(63,365)	(14,135)	(14,319)	(14,436)		
20	Cumulative Carrying Charge	605,764	605,513	600,341	594,285	587,238	579,153	568,877	556,772	543,005		528,870	514,551	500,115		
21	Carrying Cost	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%		7.53%	7.53%	7.53%		
22	Monthly Rate	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%		0.62777%	0.62777%	0.62777%		
23	Life-to-Date Revenue Requirement	58,133	(40,177)	(829,174)	(970,723)	(1,129,506)	(1,296,003)	(1,647,259)	(1,940,296)	(2,206,808)		(2,265,744)	(2,295,268)	(2,313,969)		
24	Forecasted Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,586,161	\$ 10,469,173	\$ 20,055,334	\$ 10,827,729	\$ 10,009,018	\$ 9,456,957	\$ 50,349,038

Approved by ND PSC on March 27, 2024  
 in Case No. PU-23-243

Rate Calculation - Effective April 2024		Apr 2024 - Mar 2025
Revenue Requirements		\$ 1,854,736
Carrying Charge		7,551
Cumulative True-up		891,574
<b>Total Requirements</b>		<b>\$ 2,753,861</b>
Revenue		\$ 112,457,472
New Rate		2.449%

Line No.	TRACKER SUMMARY Requirements Compared to Billed:	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2026	2026	2026	2026
		April Forecast	May Forecast	June Forecast	July Forecast	August Forecast	September Forecast	October Forecast	November Forecast	December Forecast	Year-End Forecast	January Forecast	February Forecast	March Forecast	Recovery Period
1	Revenue Requirements														
2	Merricourt Wind Energy Center PTCS Only	(339,393)	(339,393)	(339,393)	(339,393)	(339,393)	(339,393)	(339,393)	(339,393)	(339,393)	(4,072,711)	(379,978)	(379,978)	(379,978)	(4,194,467)
3	Langdon Repower										153,240				-
4	Langdon Repower PTC True-Up	9,666	9,666	9,666	9,666	9,666	9,666	9,666	9,666	9,666	91,829	10,632	10,632	10,632	118,891
5	Langdon Repower Depr & Prop tax True-Up	47,630	47,630	47,630	47,630	47,630	47,630	47,630	47,630	47,630	452,483	47,630	47,630	47,630	571,558
6	Ashtabula Repower	145,443	145,443	145,443	145,443	145,443	145,443	(90,797)	14,681	15,914	1,248,781	59,452	59,452	59,452	990,808
7	Luverne Repower	196,503	196,503	196,503	(33,716)	91,261	95,042	95,050	95,113	95,510	1,617,276	120,948	120,948	120,948	1,390,613
8	Ashtabula III Repower	179,805	179,805	179,805		(63,038)	(6,588)	(6,588)	(6,588)	52,551	1,228,384	87,212	87,212	87,212	950,605
9	ITCs	(15,464)	(15,464)	(15,464)	(15,464)	(15,464)	(15,464)	(15,464)	(15,464)	(15,464)	(185,574)	(21,327)	(21,327)	(21,327)	(203,162)
10	Total Revenue Requirements	224,189	224,189	224,189	(6,029)	(123,896)	(63,665)	(299,896)	(194,355)	(133,586)	533,708	(75,432)	(75,432)	(75,432)	(375,154)
11	Preservation of ADIT Proration	-	-	-	-	-	-	-	-	-	1,642	-	-	-	-
12	Renewable Energy Certificate Sales														-
13	Net Revenue Requirement	224,189	224,189	224,189	(6,029)	(123,896)	(63,665)	(299,896)	(194,355)	(133,586)	535,351	(75,432)	(75,432)	(75,432)	(375,154)
14	Billed (forecast kWh x adj factor)	(199,798)	(187,716)	(226,549)	(247,447)	(246,328)	(235,449)	(213,608)	(228,580)	(249,384)	(1,293,025)	(253,218)	(234,031)	(220,983)	(2,743,090)
15	Monthly Revenue Difference	409,551	400,040	441,385	234,836	117,324	167,412	(89,609)	30,341	112,105		174,797	156,708	144,644	
16	Cumulative Difference	(1,889,982)	(1,489,942)	(1,048,557)	(813,721)	(696,397)	(528,986)	(618,594)	(588,253)	(476,149)		(301,351)	(144,644)	(0)	
17	Carrying Cost Adj. for rate calculation	-	-	-	-	-	-	-	-	-		-	-	-	-
18	Adjusted Cumulative Difference	(1,904,418)	(1,504,377)	(1,062,992)	(828,157)	(710,833)	(543,421)	(633,030)	(602,689)	(490,584)		(315,787)	(159,079)	(14,436)	
19	Carrying Charge Calculation	(11,865)	(9,353)	(6,583)	(5,108)	(4,372)	(3,321)	(3,883)	(3,693)	(2,989)		(1,892)	(908)	(0)	
20	Cumulative Carrying Charge	488,250	478,897	472,315	467,206	462,834	459,514	455,630	451,937	448,948		447,057	446,148	446,148	
21	Carrying Cost	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%	7.53%		7.53%	7.53%	7.53%	
22	Monthly Rate	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%	0.62777%		0.62777%	0.62777%	0.62777%	
23	Life-to-Date Revenue Requirement	(1,901,847)	(1,499,295)	(1,055,139)	(818,829)	(700,769)	(532,307)	(622,478)	(591,946)	(479,138)		(303,243)	(145,552)	(0)	
24	Forecasted Revenue	\$ 8,534,151	\$ 8,018,076	\$ 9,676,809	\$ 10,569,448	\$ 10,521,634	\$ 10,056,941	\$ 9,124,052	\$ 9,763,549	\$ 10,652,158	\$ 117,210,522	\$ 10,815,932	\$ 9,996,393	\$ 9,439,065	\$ 117,168,208

Approved by ND PSC on [DATE] in Case No. PU-24-

	Apr 2025 - Mar 2026
<b>Rate Calculation - Effective April 2025</b>	
Revenue Requirements	\$ (375,154)
Carrying Charge	(53,967)
Cumulative True-up	(2,313,969)
<b>Total Requirements</b>	<b>\$ (2,743,090)</b>
Revenue	\$ 117,168,208
New Rate	-2.341%







Langdon Wind Farm - Upgrade Project

Line No.		2024												Year-End Actual
		January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	
1	<b>RATE BASE</b>													
2	Plant Balance	-	-	-	-	-	-	-	-	-	20,997,880	44,935,442	47,097,384	47,097,384
3	Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	(97,212)	(305,247)	(305,247)
4	Net Plant in Service	-	-	-	-	-	-	-	-	-	20,997,880	44,838,230	46,792,137	46,792,137
5														
6	<b>CWIP Calculation:</b>													
7	Beginning	13,637,126	13,649,509	24,022,291	24,168,912	24,199,045	24,558,552	24,603,766	28,391,353	39,576,072	39,713,091	20,997,880	-	13,637,126
8	Additional CWIP	12,383	10,372,782	146,622	30,133	359,507	45,214	3,787,587	11,184,719	137,019	2,282,669	2,939,683	2,161,941	33,460,258
9	Closings from CWIP										(20,997,880)	(23,937,562)	(2,161,941)	(47,097,384)
10	AFUDC													-
11	CWIP	13,649,509	24,022,291	24,168,912	24,199,045	24,558,552	24,603,766	28,391,353	39,576,072	39,713,091	20,997,880	-	-	-
12														
13	ADIT Pro-Rated	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	-
14	Accum. Deferred PTC (regulatory liability)													-
15	Accum. Deferred Inc. Taxes - Federal PTC (tax asset)											118,760	547,801	1,052,763
16	Accum. Deferred Inc. Taxes - Fed Only											(157,736)	(295,938)	(411,870)
17	Accum. Deferred Inc. Taxes - Federal & State											(191,568)	(359,411)	(500,208)
18	Accum. Deferred Inc. Taxes - Fed & State - No Prorate											(191,568)	(359,411)	(500,208)
19	End of month rate base	13,649,509	24,022,291	24,168,912	24,199,045	24,558,552	24,603,766	28,391,353	39,576,072	39,713,091	41,922,952	45,026,620	47,344,692	47,344,692
20	End of month rate base - No Prorate	13,649,509	24,022,291	24,168,912	24,199,045	24,558,552	24,603,766	28,391,353	39,576,072	39,713,091	41,922,952	45,026,620	47,344,692	47,344,692
21														
22	Average rate base	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	2,505,218	30,062,614
23														
24	Return on Rate Base	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	2,264,685
25														
26	Available for return (equity portion of rate base)	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	1,624,284
27														
28	<b>EXPENSES</b>													
29	<b>O&amp;M and Depreciation</b>													
30	Operating Costs													-
31	Net Self Fund Transmission Payments													-
32	Ground Lease Payments													-
33	Property Tax	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	20,558
34	Book Depreciation	-	-	-	-	-	-	-	-	-	-	97,212	208,034	305,247
35	Total O&M and Depreciation Expense	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	98,926	209,748	325,805
36														
37	Income before Taxes													
38	Available for return (from above)	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	1,624,284
39	Less book tax credits - Federal PTC	-	-	-	-	-	-	-	-	-	(350,772)	(350,772)	(350,772)	(1,052,315)
40	Adjusted Income before interest and taxes	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	135,357	(215,415)	(215,415)	(215,415)	571,969
41														
42	Taxable Income (grossed up)	179,055	179,055	179,055	179,055	179,055	179,055	179,055	179,055	179,055	(284,959)	(284,959)	(284,959)	756,621
43														
44	Income Taxes													
45	Current and Def Income Taxes	43,698	43,698	43,698	43,698	43,698	43,698	43,698	43,698	43,698	(69,544)	(69,544)	(69,544)	184,653
46	Federal PTC	-	-	-	-	-	-	-	-	-	(350,772)	(350,772)	(350,772)	(1,052,315)
47	Total Income Tax Expense	43,698	43,698	43,698	43,698	43,698	43,698	43,698	43,698	43,698	(420,315)	(420,315)	(420,315)	(867,662)
48														
49	<b>REVENUE REQUIREMENTS</b>													
50	Expenses	45,411	45,411	45,411	45,411	45,411	45,411	45,411	45,411	45,411	(418,602)	(321,390)	(210,568)	(541,857)
51	Return on rate base	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	188,724	2,264,685
52														
53	Total revenue requirements	234,135	234,135	234,135	234,135	234,135	234,135	234,135	234,135	234,135	(229,879)	(132,666)	(21,844)	1,722,828
54														
55	North Dakota share - E2 factor	106,986	106,986	106,986	106,986	106,986	106,986	106,986	106,986	106,986	(105,041)	(60,620)	(9,981)	787,228







Langdon Repower Depreciation & Property Tax True-Up using Simple Average

Line No.		2024 Test Year	2023 Projected Year-End	2024 Projected Year-End
	<b>RATE BASE</b>			
1	Plant in Service	48,852,196	48,852,196	48,852,196
2	Accumulated Depreciation	(750,928)	-	(2,714,011)
3	Net Plant	48,101,268	48,852,196	46,138,185
4				
5	ADIT Pro-Rated			
6	Accum. Deferred Inc. Taxes - Fed Only	301,796	-	545,378
7	Accum. Deferred Inc. Taxes - Federal & State	366,526	-	662,352
8	Accum. Deferred Inc. Taxes - Fed & State - No Prorate	366,526	-	662,352
9	End of month rate base	48,467,794	48,852,196	46,800,537
10				
11	Average Rate Base	48,467,794	48,852,196	47,826,366
12				
13	Return on Rate Base	3,651,189	3,680,147	3,602,869
14				
15	Available for return (equity portion of rate base)	2,618,716	2,639,485	2,584,059
16				
17	<b>EXPENSES</b>			
18	<i>O&amp;M and Depreciation</i>			
19	Depreciation Expense	1,501,856		2,714,011
20	Property Tax	-		98,193
21	Total O&M and Depreciation Expense	1,501,856		2,812,204
22				
23	Income before Taxes			
24	Available for return (from above)	2,618,716		2,584,059
25	Adjusted Income before interest and taxes	2,618,716		2,584,059
26				
27	Taxable Income (grossed up)	3,464,134		3,418,290
28				
29	Income Taxes			
30	Current and Def Income Taxes	845,419		834,230
31	Total Income Tax Expense	845,419		834,230
32				
33	<b>REVENUE REQUIREMENT</b>			
34	Expenses	2,347,275		3,646,434
35	Return on Rate Base	3,651,189		3,602,869
36				
37	Revenue Requirements	5,998,464		7,249,303
38				
39	North Dakota Share - E2 Factor	2,740,935		3,312,493
40				
41	Revenue Requirement - Actual 2024 minus TY 2024 Amount			571,558



Ashtabula I Wind Farm - Upgrade Project

Line No.	2025												Year-End Projected
	January Actual	February Projected	March Projected	April Projected	May Projected	June Projected	July Projected	August Projected	September Projected	October Projected	November Projected	December Projected	
1	<b>RATE BASE</b>												
2	-	-	-	-	-	-	-	-	-	49,888,533	50,471,473	52,178,416	52,178,416
3	-	-	-	-	-	-	-	-	-	-	(230,837)	(464,372)	(464,372)
4	-	-	-	-	-	-	-	-	-	49,888,533	50,240,636	51,714,044	51,714,044
5													
6	<b>CWIP Calculation:</b>												
7	31,320,117	31,325,121	31,451,584	31,458,346	31,465,109	32,060,588	43,452,819	44,430,539	49,000,149	49,409,089	-	-	31,320,117
8	5,003	126,463	6,763	6,763	595,479	11,392,231	977,720	4,569,610	408,940	479,444	582,940	1,706,943	20,858,298
9	-	-	-	-	-	-	-	-	-	-	(49,888,533)	(582,940)	(52,178,416)
10	-	-	-	-	-	-	-	-	-	-	-	(1,706,943)	-
11	31,325,121	31,451,584	31,458,346	31,465,109	32,060,588	43,452,819	44,430,539	49,000,149	49,409,089	-	-	-	-
12													
13	1.00000	1.00000	1.00000	0.92055	0.83562	0.75342	0.66849	0.58356	0.50137	0.41644	0.33425	0.24932	-
14	-	-	-	-	-	-	-	-	-	58,902	(187,094)	(481,453)	(481,453)
15	-	-	-	-	-	-	-	-	-	331,929	968,755	1,653,944	1,653,944
16	-	-	-	-	-	-	-	-	-	(291,096)	(509,234)	(671,809)	(671,809)
17	-	-	-	-	-	-	-	-	-	(441,022)	(799,137)	(1,101,572)	(1,101,572)
18	-	-	-	-	-	-	-	-	-	(848,939)	(1,641,543)	(2,433,489)	(2,433,489)
19	31,325,121	31,451,584	31,458,346	31,465,109	32,060,588	43,452,819	44,430,539	49,000,149	49,409,089	49,838,342	50,223,159	51,784,963	51,784,963
20	31,325,121	31,451,584	31,458,346	31,465,109	32,060,588	43,452,819	44,430,539	49,000,149	49,409,089	49,430,424	49,380,753	50,453,047	50,453,047
21													
22	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	3,379,615	40,555,379
23													
24	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	3,055,129
25													
26	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	2,191,208
27													
28	<b>EXPENSES</b>												
29	<i>O&amp;M and Depreciation</i>												
30	Operating Costs												-
31	Net Self Fund Transmission Payments												-
32	Ground Lease Payments												-
33	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	57,034
34	-	-	-	-	-	-	-	-	-	-	230,837	233,534	464,372
35	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	235,590	238,287	521,406
36													
37	Income before Taxes												
38	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	2,191,208
39	-	-	-	-	-	-	-	-	-	(390,830)	(390,830)	(390,830)	(1,172,491)
40	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	182,601	(208,230)	(208,230)	(208,230)	1,018,717
41													
42	241,551	241,551	241,551	241,551	241,551	241,551	241,551	241,551	241,551	(275,454)	(275,454)	(275,454)	1,347,596
43													
44	Income Taxes												
45	58,950	58,950	58,950	58,950	58,950	58,950	58,950	58,950	58,950	(67,224)	(67,224)	(67,224)	328,880
46	-	-	-	-	-	-	-	-	-	(390,830)	(390,830)	(390,830)	(1,172,491)
47	58,950	58,950	58,950	58,950	58,950	58,950	58,950	58,950	58,950	(458,055)	(458,055)	(458,055)	(843,611)
48													
49	<b>REVENUE REQUIREMENTS</b>												
50	63,703	63,703	63,703	63,703	63,703	63,703	63,703	63,703	63,703	(453,302)	(222,465)	(219,767)	(322,206)
51	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	254,594	3,055,129
52													
53	318,297	318,297	318,297	318,297	318,297	318,297	318,297	318,297	318,297	(198,708)	32,129	34,827	2,732,923
54													
55	145,443	145,443	145,443	145,443	145,443	145,443	145,443	145,443	145,443	(90,797)	14,681	15,914	1,248,781





Luverne Wind Farm - Upgrade Project

Line No.	2025												Year-End Projected
	January Actual	February Projected	March Projected	April Projected	May Projected	June Projected	July Projected	August Projected	September Projected	October Projected	November Projected	December Projected	
<b>RATE BASE</b>													
1													
2	Plant Balance	-	-	-	-	-	62,228,506	64,111,110	64,115,498	64,146,552	64,344,552	64,344,552	64,344,552
3	Accumulated Depreciation	-	-	-	-	-	(273,508)	(555,290)	(837,092)	(1,119,030)	(1,119,030)	(1,401,838)	(1,401,838)
4	Net Plant in Service	-	-	-	-	-	62,228,506	63,837,602	63,560,208	63,309,460	63,225,522	62,942,714	62,942,714
5													
6	<b>CWIP Calculation:</b>												
7	Beginning	43,661,736	44,011,283	44,027,534	44,049,915	44,201,696	56,342,352	56,966,529	-	-	-	-	43,661,736
8	Additional CWIP	349,547	16,251	22,381	151,781	12,140,657	624,177	5,261,977	1,882,604	4,388	31,054	198,000	20,682,816
9	Closings from CWIP	-	-	-	-	-	-	(62,228,506)	(1,882,604)	(4,388)	(31,054)	(198,000)	-
10	AFUDC	-	-	-	-	-	-	(523,441)	(980,132)	(1,434,804)	(1,889,472)	(2,344,106)	(64,344,552)
11	CWIP	44,011,283	44,027,534	44,049,915	44,201,696	56,342,352	56,966,529	-	-	-	-	-	-
12													
13	ADIT Pro-Rated	1.00000	1.00000	1.00000	0.92055	0.83562	0.75342	0.66849	0.58356	0.50137	0.41644	0.33425	0.24932
14	Accum. Deferred PTC (regulatory liability)	-	-	-	-	-	-	118,362	(37,378)	(289,697)	(594,815)	(872,000)	(1,199,161)
15	Accum. Deferred Inc. Taxes - Federal PTC (tax asset)	-	-	-	-	-	-	262,507	799,115	1,432,303	2,118,289	2,776,343	3,484,372
16	Accum. Deferred Inc. Taxes - Fed Only	-	-	-	-	-	-	(288,120)	(507,561)	(695,262)	(851,164)	(976,288)	(1,069,574)
17	Accum. Deferred Inc. Taxes - Federal & State	-	-	-	-	-	-	(380,562)	(680,656)	(948,654)	(1,184,852)	(1,390,266)	(1,563,804)
18	Accum. Deferred Inc. Taxes - Fed & State - No Prorate	-	-	-	-	-	-	(523,441)	(980,132)	(1,434,804)	(1,889,472)	(2,344,106)	(2,798,528)
19	End of month rate base	44,011,283	44,027,534	44,049,915	44,201,696	56,342,352	56,966,529	62,228,813	63,918,683	63,754,160	63,648,082	63,739,600	63,664,121
20	End of month rate base - No Prorate	44,011,283	44,027,534	44,049,915	44,201,696	56,342,352	56,966,529	62,085,934	63,619,207	63,268,009	62,943,463	62,785,759	62,429,398
21													
22	Average rate base	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298	4,578,298
23													
24	Return on Rate Base	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894
25													
26	Available for return (equity portion of rate base)	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	2,968,386
27													
<b>EXPENSES</b>													
28													
29	<b>O&amp;M and Depreciation</b>												
30	Operating Costs	-	-	-	-	-	-	-	-	-	-	-	-
31	Net Self Fund Transmission Payments	-	-	-	-	-	-	-	-	-	-	-	-
32	Ground Lease Payments	-	-	-	-	-	-	-	-	-	-	-	-
33	Property Tax	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	63,462
34	Book Depreciation	-	-	-	-	-	-	-	273,508	281,782	281,802	281,938	282,808
35	Total O&M and Depreciation Expense	5,289	5,289	5,289	5,289	5,289	5,289	5,289	278,796	287,071	287,090	287,227	288,097
36													
37	Income before Taxes	-	-	-	-	-	-	-	-	-	-	-	-
38	Available for return (from above)	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	247,366	2,968,386
39	Less book tax credits - Federal PTC	-	-	-	-	-	-	(380,869)	(380,869)	(380,869)	(380,869)	(380,869)	(380,869)
40	Adjusted Income before interest and taxes	247,366	247,366	247,366	247,366	247,366	247,366	(133,503)	(133,503)	(133,503)	(133,503)	(133,503)	683,175
41													
42	Taxable Income (grossed up)	327,224	327,224	327,224	327,224	327,224	327,224	(176,603)	(176,603)	(176,603)	(176,603)	(176,603)	903,729
43													
44	Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-
45	Current and Def Income Taxes	79,859	79,859	79,859	79,859	79,859	79,859	(43,100)	(43,100)	(43,100)	(43,100)	(43,100)	220,554
46	Federal PTC	-	-	-	-	-	-	(380,869)	(380,869)	(380,869)	(380,869)	(380,869)	(2,285,212)
47	Total Income Tax Expense	79,859	79,859	79,859	79,859	79,859	79,859	(423,968)	(423,968)	(423,968)	(423,968)	(423,968)	(2,064,657)
48													
<b>REVENUE REQUIREMENTS</b>													
49													
50	Expenses	85,147	85,147	85,147	85,147	85,147	85,147	(418,680)	(145,172)	(136,897)	(136,878)	(136,742)	(135,871)
51	Return on rate base	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	344,894	4,138,723
52													
53	Total revenue requirements	430,041	430,041	430,041	430,041	430,041	430,041	(73,786)	199,722	207,996	208,015	208,152	3,539,367
54													
55	North Dakota share - E2 factor	196,503	196,503	196,503	196,503	196,503	196,503	(33,716)	91,261	95,042	95,050	95,113	1,617,276



Ashtabula III Wind Farm - Upgrade Project

Line No.	2024												Year-End Actual
	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	
<b>RATE BASE</b>													
1	Plant Balance												-
2	Accumulated Depreciation												-
3	Net Plant in Service												-
4													
5													
6	<b>CWIP Calculation:</b>												
7	6,739,636	6,751,725	6,842,289	6,853,377	6,850,425	6,870,673	20,006,968	20,973,807	21,562,670	21,575,570	21,588,808	21,607,771	6,739,636
8	12,089	90,563	11,088	(2,952)	20,248	13,136,295	966,839	588,863	12,901	13,238	18,963	18,074,907	32,943,042
9	Closings from CWIP												-
10	AFUDC												-
11	6,751,725	6,842,289	6,853,377	6,850,425	6,870,673	20,006,968	20,973,807	21,562,670	21,575,570	21,588,808	21,607,771	39,682,678	39,682,678
12	ADIT Pro-Rated												
13	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
14	Accum. Deferred PTC (regulatory liability)												-
15	Accum. Deferred Inc. Taxes - Federal PTC (tax asset)												-
16	Accum. Deferred Inc. Taxes - Fed Only												-
17	Accum. Deferred Inc. Taxes - Federal & State												-
18	Accum. Deferred Inc. Taxes - Fed & State - No Prorate												-
19	6,751,725	6,842,289	6,853,377	6,850,425	6,870,673	20,006,968	20,973,807	21,562,670	21,575,570	21,588,808	21,607,771	39,682,678	39,682,678
20	6,751,725	6,842,289	6,853,377	6,850,425	6,870,673	20,006,968	20,973,807	21,562,670	21,575,570	21,588,808	21,607,771	39,682,678	39,682,678
21	End of month rate base - No Prorate												
22	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	1,332,733	15,992,800
23	Average rate base												
24	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	1,204,774
25	Return on Rate Base												
26	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	864,091
27	Available for return (equity portion of rate base)												
28	<b>EXPENSES</b>												
29	<b>O&amp;M and Depreciation</b>												
30	Operating Costs												-
31	Net Self Fund Transmission Payments												-
32	Ground Lease Payments												-
33	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	16,711
34	Property Tax												
35	Book Depreciation												-
36	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	16,711
37	Total O&M and Depreciation Expense												
38	Income before Taxes												
39	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	864,091
40	Available for return (from above)												
41	Less book tax credits - Federal PTC												-
42	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	72,008	864,091
43	Adjusted Income before interest and taxes												
44	95,254	95,254	95,254	95,254	95,254	95,254	95,254	95,254	95,254	95,254	95,254	95,254	1,143,052
45	Taxable Income (grossed up)												
46	Income Taxes												
47	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	278,961
48	Current and Def Income Taxes												
49	Federal PTC												-
50	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	23,247	278,961
51	Total Income Tax Expense												
52	<b>REVENUE REQUIREMENTS</b>												
53	24,639	24,639	24,639	24,639	24,639	24,639	24,639	24,639	24,639	24,639	24,639	24,639	295,672
54	Expenses												
55	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	100,398	1,204,774
56	Return on rate base												
57	125,037	125,037	125,037	125,037	125,037	125,037	125,037	125,037	125,037	125,037	125,037	125,037	1,500,446
58	Total revenue requirements												
59													
60	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	685,613
61	North Dakota share - E2 factor												

Ashtabula III Wind Farm - Upgrade Project

Line No.	2025												Year-End Projected	
	January Actual	February Projected	March Projected	April Projected	May Projected	June Projected	July Projected	August Projected	September Projected	October Projected	November Projected	December Projected		
<b>RATE BASE</b>														
1														
2	Plant Balance	-	-	-	-	-	-	29,649,384	29,649,384	29,649,384	60,711,180	62,828,303	62,828,303	
3	Accumulated Depreciation	-	-	-	-	-	-	(123,539)	(247,078)	(370,617)	(623,581)	(623,581)		
4	Net Plant in Service	-	-	-	-	-	-	29,649,384	29,525,845	29,402,306	60,340,562	62,204,723	62,204,723	
5														
6	<b>CWIP Calculation:</b>													
7	Beginning	39,682,678	39,688,136	39,698,925	39,709,713	39,721,725	39,873,750	53,320,392	53,695,630	29,649,384	30,025,191	30,696,665	-	39,682,678
8	Additional CWIP	5,458	10,789	10,789	12,011	152,026	13,446,642	375,237	5,603,139	375,807	671,474	365,130	2,117,123	23,145,626
9	Closings from CWIP	-	-	-	-	-	-	-	(29,649,384)	-	-	(31,061,795)	(2,117,123)	(62,828,303)
10	AFUDC	-	-	-	-	-	-	-	-	-	-	-	-	-
11	CWIP	39,688,136	39,698,925	39,709,713	39,721,725	39,873,750	53,320,392	53,695,630	29,649,384	30,025,191	30,696,665	-	-	-
12														
13	ADIT Pro-Rated	1.00000	1.00000	1.00000	0.92055	0.83562	0.75342	0.66849	0.58356	0.50137	0.41644	0.33425	0.24932	
14	Accum. Deferred PTC (regulatory liability)	-	-	-	-	-	-	-	232,983	236,442	206,689	(12,461)	(501,454)	(501,454)
15	Accum. Deferred Inc. Taxes - Federal PTC (tax asset)	-	-	-	-	-	-	-	168,772	567,068	998,575	1,619,480	2,510,227	2,510,227
16	Accum. Deferred Inc. Taxes - Fed Only	-	-	-	-	-	-	-	(294,705)	(535,456)	(735,424)	(895,925)	(1,009,158)	(1,009,158)
17	Accum. Deferred Inc. Taxes - Federal & State	-	-	-	-	-	-	-	(403,021)	(746,764)	(1,049,723)	(1,313,215)	(1,523,862)	(1,523,862)
18	Accum. Deferred Inc. Taxes - Fed & State - No Prorate	-	-	-	-	-	-	-	(613,327)	(1,196,505)	(1,779,683)	(2,362,861)	(2,914,453)	(2,914,453)
19	End of month rate base	39,688,136	39,698,925	39,709,713	39,721,725	39,873,750	53,320,392	53,695,630	59,297,502	59,607,782	60,254,512	60,634,366	62,689,634	62,689,634
20	End of month rate base - No Prorate	39,688,136	39,698,925	39,709,713	39,721,725	39,873,750	53,320,392	53,695,630	59,087,196	59,158,041	59,524,552	59,584,720	61,299,043	61,299,043
21														
22	Average rate base	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	4,153,043	49,836,519
23														
24	Return on Rate Base	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	3,754,298
25														
26	Available for return (equity portion of rate base)	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	2,692,668
27														
<b>EXPENSES</b>														
28														
29	<b>O&amp;M and Depreciation</b>													
30	Operating Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Net Self Fund Transmission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Ground Lease Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Property Tax	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	98,393
34	Book Depreciation	-	-	-	-	-	-	-	-	123,539	123,539	123,539	252,963	623,581
35	Total O&M and Depreciation Expense	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	131,739	131,739	131,739	261,163	721,974
36														
37	Income before Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Available for return (from above)	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	224,389	2,692,668
39	Less book tax credits - Federal PTC	-	-	-	-	-	-	-	(401,755)	(401,755)	(401,755)	(401,755)	(401,755)	(2,008,774)
40	Adjusted Income before interest and taxes	224,389	224,389	224,389	224,389	224,389	224,389	224,389	(177,366)	(177,366)	(177,366)	(177,366)	(177,366)	683,894
41														
42	Taxable Income (grossed up)	296,830	296,830	296,830	296,830	296,830	296,830	296,830	(234,626)	(234,626)	(234,626)	(234,626)	(234,626)	904,681
43														
44	Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Current and Def Income Taxes	72,441	72,441	72,441	72,441	72,441	72,441	72,441	(57,260)	(57,260)	(57,260)	(57,260)	(57,260)	220,786
46	Federal PTC	-	-	-	-	-	-	-	(401,755)	(401,755)	(401,755)	(401,755)	(401,755)	(2,008,774)
47	Total Income Tax Expense	72,441	72,441	72,441	72,441	72,441	72,441	72,441	(459,015)	(459,015)	(459,015)	(459,015)	(459,015)	(1,787,987)
48														
<b>REVENUE REQUIREMENTS</b>														
49														
50	Expenses	80,641	80,641	80,641	80,641	80,641	80,641	80,641	(450,816)	(327,276)	(327,276)	(327,276)	(197,852)	(1,066,013)
51	Return on rate base	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	312,858	3,754,298
52														
53	Total revenue requirements	393,499	393,499	393,499	393,499	393,499	393,499	393,499	(137,957)	(14,418)	(14,418)	(14,418)	115,006	2,688,285
54														
55	North Dakota share - E2 factor	179,805	179,805	179,805	179,805	179,805	179,805	179,805	(63,038)	(6,588)	(6,588)	(6,588)	52,551	1,228,384



**Federal ADIT Proration**

<b>April 2025 - March 2026 Recovery Period</b>				
<b>Line No.</b>	<b>Month</b>	<b>All Projects' Revenue Requirements</b>	<b>All Projects' Revenue Requirements with ADIT- Prorate</b>	<b>Difference due to Federal ADIT Proration</b>
1	Apr-25	221,731	224,189	2,459
2	May-25	221,731	224,189	2,459
3	Jun-25	221,731	224,189	2,459
4	Jul-25	(8,488)	(6,029)	2,459
5	Aug-25	(126,355)	(123,896)	2,459
6	Sep-25	(66,124)	(63,665)	2,459
7	Oct-25	(302,355)	(299,896)	2,459
8	Nov-25	(196,814)	(194,355)	2,459
9	Dec-25	(136,045)	(133,586)	2,459
10	Jan-26	(97,073)	(75,432)	21,642
11	Feb-26	(97,073)	(75,432)	21,642
12	Mar-26	(97,073)	(75,432)	21,642
13		(462,208)	(375,154)	87,054
14				
15	<b>Revenue Requirement Adjustment</b>			
16	<b>Related to Federal ADIT Proration</b>			<b>87,054</b>

**Federal ADIT Proration -- Preserve True-Up Period**

<b>April 2024 - March 2025</b>				
Line No.	Month	Original ADIT Balance - All Projects	Federal ADIT Prorate Balance - All Projects	Difference due to Federal ADIT Proration
1	Apr-24	\$ -	\$ -	-
2	May-24	\$ -	\$ -	-
3	Jun-24	\$ -	\$ -	-
4	Jul-24	\$ -	\$ -	-
5	Aug-24	\$ -	\$ -	-
6	Sep-24	\$ -	\$ -	-
7	Oct-24	\$ -	\$ (157,736)	-
8	Nov-24	\$ (330,475)	\$ (203,930)	-
9	Dec-24	\$ (571,537)	\$ (232,833)	-
10	Jan-25	\$ (611,291)	\$ (287,780)	-
11	Feb-25	\$ (632,493)	\$ (322,901)	-
12	Mar-25	\$ (633,156)	\$ (323,251)	309,905
13	Simple Average	\$ (316,578)	\$ (161,625)	\$ 154,952
14				
15	Rate Base Rev Req Gross Up Factor			9.30%
16	Total Company Revenue Requirement	\$		14,407
17				
18	<b>ND Revenue Requirement Related to</b>			
19	<b>Federal ADIT Proration-Preservation</b>		\$	<b>6,569</b>
20				
21				
22	Tax Conversion Factor		1.3228	
23	Gross Up of Equity %		6.79%	
24	Equity Return %		5.13%	
25	Gross Up Factor		1.66%	
26				
27			<b>Annual</b>	<b>Monthly</b>
28	Debt Return %		2.51%	0.21%
29	Preferred Equity %		0.00%	0.00%
30	Equity Return %		5.13%	0.43%
31	Rate of Return		7.64%	0.64%
32	Tax RR on Equity Return		1.66%	0.14%
33	Rate Base Rev Req Gross Up Factor		9.30%	0.77%





