



MONTANA-DAKOTA

UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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Bismarck, ND 58501
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January 17, 2025

Executive Secretary
North Dakota Public Service Commission
600 E Boulevard Ave, Dept 408
Bismarck, ND 58505-0480

**Re: Fuel and Purchased Power Adjustment
Case No. PU-24-010
February 2025**

Montana-Dakota Utilities Co. (Montana-Dakota) herewith electronically submits its Fuel and Purchased Power (F&PP) adjustment to the North Dakota Public Service Commission (Commission) pursuant to the terms of the Rate 58 tariff.

Exhibit A, page 1 summarizes the fuel and purchased power adjustment calculated pursuant to the terms of Rate 58 that will apply during the month of February 2025. Pages 2 through 4 show the calculation of the adjustment which is based on a four-month historical average cost of fuel and purchased power.

The net effect of this F&PP adjustment for primary and secondary service customers compared to the effective rates is shown below. The change was largely the result of a per unit increase in MISO market prices.

	Primary	Secondary
F&PP Effective February 1, 2025	\$0.03028	\$0.03001
F&PP Effective January 1, 2025	0.02579	0.02549
Change	\$0.00449	\$0.00452

The current and historical Fuel and Purchased Power Adjustment for primary and secondary service customers can be found by selecting the Fuel and Purchased Power Adjustment link at <https://www.montana-dakota.com/rates-services/rates-tariffs>.

All of Montana-Dakota’s retail electric customers in North Dakota may be affected by this proposal. There were 94,238 electric customers in North Dakota as of December 31, 2024.

In response to Paragraph No. 11 of NDAC Section 69-09-02-39, Montana-Dakota purchases natural gas used for electric generation from its own gas operations or transports natural gas purchased from others under the applicable gas tariff approved and on file with the Commission in the state where the purchase is made

or the transportation occurs. Montana-Dakota also has an agreement with its own gas operations associated with the pipeline utilized to transport firm natural gas service to the Heskett Generating Station pursuant to the order in Case Nos. PU-14-108 and PU-14-109.

If you have any questions regarding this filing, please contact me at (701) 222-7855 or travis.jacobson@mdu.com.

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson
Vice President of Regulatory Affairs

Attachment

**MONTANA-DAKOTA UTILITIES CO.
ELECTRIC INTEGRATED SYSTEM - NORTH DAKOTA
FUEL AND PURCHASED POWER ADJUSTMENT
FEBRUARY 2025 ADJUSTMENT**

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.02230	\$0.02288
Prior Cost of Fuel	0.01781	0.01836
Change in Cost of Fuel	<u>\$0.00449</u>	<u>\$0.00452</u>
 <u>Surcharge Adjustment</u>		
Current Adjustment	\$0.00798	\$0.00713
Prior Adjustment	0.00798	0.00713
Change in Surcharge Adjustment	<u>\$0.00000</u>	<u>\$0.00000</u>
 Cost of Fuel	 \$0.02230	 \$0.02288
Surcharge Adjustment	0.00798	0.00713
Total	<u><u>\$0.03028</u></u>	<u><u>\$0.03001</u></u>

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

	Total 1/	Allocation to 2/ North Dakota	Allocation to 3/	
			Primary	Secondary
Fuel & Purchased Power Cost				
Accounts 501 Coal and 547 Gas	\$8,943,315	\$6,437,460	\$1,273,955	\$5,163,505
Account 502 Reagent	668,493	481,186	95,225	385,961
Account 555 Energy	13,703,034	9,863,538	1,951,966	7,911,572
Accounts 555 Demand and 547 Pipeline Charges	1,200,566	873,283	135,616	737,667
Account 575 Market Admin.	167,587	120,630	23,872	96,758
Total F&PP Cost	<u>\$24,682,995</u>	<u>\$17,776,097</u>	<u>\$3,480,634</u>	<u>\$14,295,463</u>
Less:				
Wholesale Sales Revenue	\$243,148	\$175,020	\$34,636	\$140,384
Sale of RECs Revenue	713	512	101	411
Rate 45 Margin Sharing 4/	2,209,065	2,209,065	437,168	1,771,897
Total Revenue	<u>\$2,452,926</u>	<u>\$2,384,597</u>	<u>\$471,905</u>	<u>\$1,912,692</u>
Net System Cost	\$22,230,069	\$15,391,500	\$3,008,729	\$12,382,771
kWh Retail Sales	939,340,688	676,143,881	<u>134,890,410</u>	<u>541,253,471</u>
Cost Per kWh	\$0.02367	\$0.02276	<u><u>\$0.02230</u></u>	<u><u>\$0.02288</u></u>

1/ Page 3.

2/ Energy is allocated on kWh sales, demand and pipeline are allocated on Allocation Factor No. 15, Integrated System 12 Month Peak Demand, and RECs revenue is allocated on Allocation Factor No. 271, Integrated Peak Demand and Energy.

3/ Energy, wholesale sales, and RECs revenue are allocated on kWh sales at generation. Demand and pipeline are allocated on Class Allocation Factor No. 2, Coincident Peak Demand from Case No. PU-22-194.

4/ Case No. PU-22-371.

Factor No. 15 ND	72.739303%
Factor No. 2 Primary	15.529398%
Factor No. 2 Secondary	84.470602%

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

	2024				Total
	September	October	November	December	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$1,617,917	\$1,909,341	\$2,653,959	\$2,762,098	\$8,943,315
Account 502 Reagent	95,035	123,005	196,740	253,713	668,493
Account 555 Energy 1/ Accounts 555 Demand and 547 Pipeline Charges	1,574,880	4,227,453	2,580,703	5,319,998	13,703,034
Account 575 Market Admin.	350,130	257,138	259,149	334,149	1,200,566
Total F&PP Cost	<u>\$3,674,714</u>	<u>\$6,553,121</u>	<u>\$5,731,658</u>	<u>\$8,723,502</u>	<u>\$24,682,995</u>
Less:					
Wholesale Sales Revenue	\$36,514	\$21,328	\$51,924	\$133,382	\$243,148
Sale of RECs Revenue	713	0	0	0	713
Total Revenue	<u>\$37,227</u>	<u>\$21,328</u>	<u>\$51,924</u>	<u>\$133,382</u>	<u>\$243,861</u>
Net System Cost	\$3,637,487	\$6,531,793	\$5,679,734	\$8,590,120	\$24,439,134
kWh Retail Sales	240,278,631	235,062,688	194,301,766	269,697,603	<u>939,340,688</u>
Cost Per kWh	\$0.01514	\$0.02779	\$0.02923	\$0.03185	<u><u>\$0.02602</u></u>

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

Account No.	Account Description	2024			
		September	October	November	December
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$1,894,812	\$2,610,497	\$1,832,320	\$2,263,309
555.114	Real-Time Asset Energy	(170,063)	(244,075)	(138,910)	(557,615)
555.117	Real-Time Excessive Energy	1,194	(612)	(5)	459
555.118	Real-Time Non-Excessive Energy	15,289	306,971	277,345	853,358
555.1212	Day-Ahead Financial Bilateral Congestion Loss	(52,249)	72,500	107,362	2,521
555.1230	Revenue Rights Transaction	(1,095,224)	(1,095,224)	(1,095,224)	(750,208)
555.1232	Revenue Rights Infeasible Uplift	16,636	16,636	16,636	9,635
555.1233	Revenue Rights Stage 2 Distribution	(117,775)	(117,776)	(117,776)	(136,519)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(12)	(2,161)	(2,131)	(17,190)
555.132	Day-Ahead Financial Bilateral Transaction Loss	36,638	30,328	27,422	40,034
555.135	Real-Time Asset Loss	165,548	221,371	77,222	414,179
555.136	Real-Time Distribution of Loss	(14,516)	(27,320)	(15,872)	(73,754)
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	0	(12,572)	(1,601)	(1)
555.153	Real-Time Miscellaneous	(1,075)	(4,591)	(3,669)	32
555.154	Real-Time Net Inadvertent Distribution	(2,560)	(7,173)	(1,483)	(1,441)
555.155	Real-Time Revenue Neutrality Uplift	89,894	119,394	104,009	89,116
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	3,009	1,342	1,203	6,687
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	(735)	(2,650)	0	0
555.159	Day-Ahead Schedule 24	5,087	4,545	5,852	6,753
555.160	Real-Time Schedule 24	741	897	904	926
555.162	Real-Time Price Volatility Make Whole Payment	(13,344)	(17,248)	(13,515)	(10,500)
555.164	Real-Time Schedule 49	17,190	17,419	19,093	11,877
555.1701	Day-Ahead Spinning Reserve Amount	(17,115)	(21,708)	(16,494)	(11,303)
555.1702	Day-Ahead Supplemental Reserve Amount	(53)	0	0	(17)
555.1703	Day-Ahead Ramp Capability	(6,523)	(8,018)	(4,609)	(5,208)
555.1704	Day-Ahead Short Term Reserve Amount	(8,123)	(2,975)	(1,310)	(4,918)
555.1710	Real-Time Net Regulation Adjustment	1	10	2	0
555.1711	Real-Time Excessive Deficient Energy Deployment	1,547	229	9	35
555.1713	Real-Time Regulation Amount	(55)	(59)	(50)	0
555.1714	Real-Time Spinning Reserve Amount	505	(5,471)	(556)	(1,305)
555.1715	Real-Time Supplemental Reserve Amount	21	(1)	(34)	(31)
555.1716	Real-Time Regulation Cost Distribution	16,953	18,981	19,309	24,654
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	9,086	13,032	10,219	12,632
555.1718	Real-Time Supplemental Reserve Cost Distribution	1,624	1,691	1,285	1,761
555.1719	Real-Time Demand Response Allocation Uplift	2,453	5,276	243	18,265
555.1720	Real-Time Ramp Capability	(880)	(1,424)	(1,049)	(807)
555.1721	Real-Time Short Term Cost Distribution Amount	7,948	7,317	3,568	7,470
555.1723	Real-Time Short Term Reserve Amount	(911)	(336)	(134)	2,065
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	592	73,232	97,180	233,645
555.186	Real-Time Over Collected Losses	(122,662)	(72,265)	(132,248)	(95,277)
555.1915	Real-Time Asset Congestion	208,582	1,354,345	776,638	1,980,796
555.1920	Auction Revenue Rights-Daily	(625,622)	(375,546)	(578,967)	(371,361)
	<u>Other</u>				
555.X	Purchased Power	1,328,479	1,369,988	1,328,254	1,377,198
555.5	Purchased Power Cogeneration	548	657	265	46
	Total Account 555 Energy	\$1,574,880	\$4,227,453	\$2,580,703	\$5,319,998