



MONTANA-DAKOTA

UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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Bismarck, ND 58501
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April 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-25-010
May 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 May 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 per unit decrease was the result of a combination of higher wind generation and a per unit decrease in MISO market prices.

	Primary	Secondary
F&PP Effective May 1, 2025	\$0.02629	\$0.02313
F&PP Effective April 1, 2025	0.02982	0.02680
Change	(\$0.00353)	(\$0.00367)

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 94,385 electric customers in North Dakota as of March 31, 2025.

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
MAY 2025 ADJUSTMENT**

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.01961	\$0.01982
Prior Cost of Fuel	0.02314	0.02349
Change in Cost of Fuel	<u>(\$0.00353)</u>	<u>(\$0.00367)</u>
 <u>Surcharge Adjustment</u>		
Current Adjustment	\$0.00668	\$0.00331
Prior Adjustment	0.00668	0.00331
Change in Surcharge Adjustment	<u>\$0.00000</u>	<u>\$0.00000</u>
 Cost of Fuel	 \$0.01961	 \$0.01982
Surcharge Adjustment	0.00668	0.00331
Total	<u><u>\$0.02629</u></u>	<u><u>\$0.02313</u></u>

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

	<u>Total 1/</u>	<u>Allocation to 2/ North Dakota</u>	<u>Allocation to 3/ Primary</u>	<u>Secondary</u>
Fuel & Purchased Power Cost				
Accounts 501 Coal and 547 Gas	\$9,611,207	\$6,965,057	\$1,093,518	\$5,871,539
Account 502 Reagent	849,857	615,875	96,693	519,182
Account 555 Energy	14,032,136	10,168,820	1,596,510	8,572,310
Accounts 555 Demand and 547 Pipeline Charges	1,379,660	1,007,146	156,404	850,742
Account 575 Market Admin.	211,415	153,208	24,054	129,154
Total F&PP Cost	<u>\$26,084,275</u>	<u>\$18,910,106</u>	<u>\$2,967,179</u>	<u>\$15,942,927</u>
Less:				
Wholesale Sales Revenue	\$447,692	\$324,434	\$50,936	\$273,498
Sale of RECs Revenue	777,362	559,176	87,791	471,385
Rate 45 Margin Sharing 4/	2,056,120	2,056,120	322,812	1,733,308
Total Revenue	<u>\$3,281,174</u>	<u>\$2,939,730</u>	<u>\$461,539</u>	<u>\$2,478,191</u>
Net System Cost	\$22,803,101	\$15,970,376	\$2,505,640	\$13,464,736
kWh Retail Sales	1,113,836,242	807,175,734	<u>127,805,965</u>	<u>679,369,769</u>
Cost Per kWh	\$0.02047	\$0.01979	<u><u>\$0.01961</u></u>	<u><u>\$0.01982</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 charges 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	72.999608%
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	2025			Total
	December	January	February	March	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$2,762,098	\$2,354,436	\$2,346,593	\$2,148,080	\$9,611,207
Account 502 Reagent	253,713	225,783	201,932	168,429	849,857
Account 555 Energy 1/ Accounts 555 Demand and 547 Pipeline Charges	5,319,998	2,983,700	4,367,695	1,360,743	14,032,136
Account 575 Market Admin.	334,149	323,781	334,149	387,581	1,379,660
Total F&PP Cost	53,544	(86,959)	200,826	44,004	211,415
	<u>\$8,723,502</u>	<u>\$5,800,741</u>	<u>\$7,451,195</u>	<u>\$4,108,837</u>	<u>\$26,084,275</u>
Less:					
Wholesale Sales Revenue	\$133,382	\$108,336	\$49,433	\$156,541	\$447,692
Sale of RECs Revenue	0	(713)	278	777,797	777,362
Total Revenue	<u>\$133,382</u>	<u>\$107,623</u>	<u>\$49,711</u>	<u>\$934,338</u>	<u>\$1,225,054</u>
Net System Cost	\$8,590,120	\$5,693,118	\$7,401,484	\$3,174,499	\$24,859,221
kWh Retail Sales	269,697,603	309,522,835	273,304,687	261,311,117	<u>1,113,836,242</u>
Cost Per kWh	\$0.03185	\$0.01839	\$0.02708	\$0.01215	<u><u>\$0.02232</u></u>

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

Account No.	Account Description	2024	2025		
		December	January	February	March
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.11	Energy	\$0	\$0	(\$141,892)	\$141,892
555.111	Day-Ahead Asset Energy	2,263,309	3,301,492	2,998,134	789,471
555.114	Real-Time Asset Energy	(557,615)	(294,559)	(61,595)	(71,696)
555.117	Real-Time Excessive Energy	459	0	(1,527)	(331)
555.118	Real-Time Non-Excessive Energy	853,358	19,237	349,429	210,916
555.1212	Day-Ahead Financial Bilateral Congestion Loss	2,521	(32,975)	40,319	31,256
555.1230	Revenue Rights Transaction	(750,208)	(750,208)	(750,208)	(630,908)
555.1232	Revenue Rights Infeasible Uplift	9,635	9,638	9,636	11,942
555.1233	Revenue Rights Stage 2 Distribution	(136,519)	(136,523)	(136,515)	(83,408)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(17,190)	(66)	(25)	(29,810)
555.132	Day-Ahead Financial Bilateral Transaction Loss	40,034	55,451	46,265	28,451
555.135	Real-Time Asset Loss	414,179	305,852	267,025	40,405
555.136	Real-Time Distribution of Loss	(73,754)	(200,809)	(77,761)	4,765
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	(1)	(40)	(12,965)	(6,876)
555.153	Real-Time Miscellaneous	32	(2,106)	0	(360)
555.154	Real-Time Net Inadvertent Distribution	(1,441)	(41,891)	10,823	40,368
555.155	Real-Time Revenue Neutrality Uplift	89,116	140,209	22,191	47,785
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	6,687	7,282	6,888	2,932
555.159	Day-Ahead Schedule 24	6,753	6,299	6,367	5,661
555.160	Real-Time Schedule 24	926	859	780	781
555.162	Real-Time Price Volatility Make Whole Payment	(10,500)	(33,381)	(7,133)	(9,555)
555.164	Real-Time Schedule 49	11,877	10,815	21,589	8,629
555.1700	Day-Ahead Regulation Amount	0	(244)	(602)	(704)
555.1701	Day-Ahead Spinning Reserve Amount	(11,303)	(14,089)	(22,852)	(20,585)
555.1702	Day-Ahead Supplemental Reserve Amount	(17)	(4)	(181)	0
555.1703	Day-Ahead Ramp Capability	(5,208)	(4,421)	(7,622)	(9,783)
555.1704	Day-Ahead Short Term Reserve Amount	(4,918)	(33,281)	(54,117)	(5,537)
555.1710	Real-Time Net Regulation Adjustment	0	1	(54)	(3)
555.1711	Real-Time Excessive Deficient Energy Deployment	35	97	194	135
555.1713	Real-Time Regulation Amount	0	(12)	(225)	52
555.1714	Real-Time Spinning Reserve Amount	(1,305)	(2,059)	(8,270)	1,616
555.1715	Real-Time Supplemental Reserve Amount	(31)	(794)	(2,750)	0
555.1716	Real-Time Regulation Cost Distribution	24,654	19,027	20,157	17,327
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	12,632	11,483	13,820	12,816
555.1718	Real-Time Supplemental Reserve Cost Distribution	1,761	1,606	2,395	1,350
555.1719	Real-Time Demand Response Allocation Uplift	18,265	13,792	23,978	1,367
555.1720	Real-Time Ramp Capability	(807)	(1,467)	(744)	(1,064)
555.1721	Real-Time Short Term Cost Distribution Amount	7,470	105,964	48,552	8,153
555.1723	Real-Time Short Term Reserve Amount	2,065	(23,846)	(6,664)	(674)
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	233,645	138,829	145,295	78,517
555.186	Real-Time Over Collected Losses	(95,277)	(189,448)	(181,233)	(84,635)
555.1915	Real-Time Asset Congestion	1,980,796	(411,687)	893,542	(193,676)
555.1920	Auction Revenue Rights-Daily	(371,361)	(371,361)	(347,403)	(359,382)
	<u>Other</u>				
555.X	Purchased Power	1,377,198	1,380,949	1,262,566	1,382,822
555.5	Purchased Power Cogeneration	46	89	88	321
	Total Account 555 Energy	<u>\$5,319,998</u>	<u>\$2,983,700</u>	<u>\$4,367,695</u>	<u>\$1,360,743</u>