

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Montana-Dakota Utilities Co.
2024 Earnings Sharing Refund Plan
Approval**

Case No. PU-25-180

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **20th day of November 2025**, she deposited in the United States Mail, at Bismarck, North Dakota, **one** envelope with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

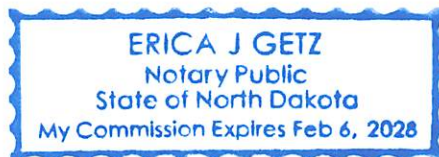
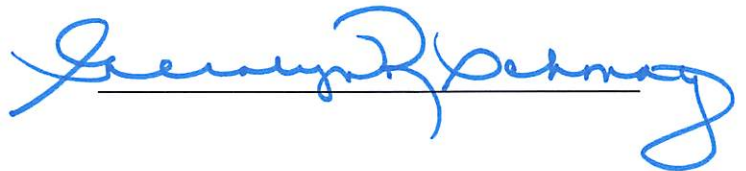
- **Order**

The envelope was addressed as follows:

Travis Jacobson
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North 4th Street
Bismarck, ND 58501
Cert. No. 9589 0710 5270 1777 9871 33

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **20th day of November 2025**.



Notary Public

SEAL

STATE OF NORTH DAKOTA
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ORDER

November 19, 2025

Preliminary Statement

On May 1, 2025, Montana-Dakota Utilities Co. (MDU) filed a request for approval of the 2024 Earnings Sharing Refund Plan pursuant to the Commission's June 6, 2023, Findings of Fact, Conclusions of Law and Order (June 6 Order) in Case No. PU-22-194. The June 6 Order stipulates that MDU shall file the achieved return on equity for the prior year along with their annual report, that 70% of the earnings in excess of a 10% return on equity (ROE) shall be refunded to ratepayers and that MDU shall submit a refund plan which includes the amount and timing of the refund back to ratepayers.

On September 10, 2025, the Commission issued a Notice of Opportunity for Hearing, which provided until October 24, 2025, for receiving comments and hearing requests. No response was received. The notice identified the issue to be considered in this matter is whether the proposed credit is just and reasonable.

Discussion

MDU filed its 2024 Electric Annual Report in Case No. PU-25-180, showing earnings of \$59.4 million on a rate base of \$792.7 million for a return on equity of 10.191%. This includes a \$3.2 million reserve for earnings sharing resulting in total earnings (excluding the reserve) of \$61.8 million or 10.787%, which exceeds the 10% earnings threshold. This results in an earnings sharing refund total of \$2,908,502 for 2024.

MDU proposed two methods to refund the overearnings. This included a direct refund to customers or applying the balance to the Lewis & Clark Unit I and Heskett Units I & II decommissioning regulatory asset. The direct refund to customers method would be over a two-month period and would result in a reduction to customers' bills in those months. The reduction of the regulatory asset balance method would result in a decrease to the Generation Resource Recovery Rider rate of \$0.00034. The Commission finds that the reduction of the regulatory asset balance method would be more beneficial to the customers.

The Commission finds the proposed credit to be just and reasonable. Therefore, the Commission issues its:

Order

The Commission Orders:

1. Montana-Dakota Utilities Co. shall apply the 2024 overearnings refund against the Lewis and Clark Unit I and Heskett Units I & II decommissioning regulatory asset balances resulting in a reduction of the amortization rate of those assets.
2. Montana-Dakota Utilities Co. shall file the necessary tariff revisions required to comply with this Order as part of its annual Generation Resource Cost Recovery rider filing.


PUBLIC SERVICE COMMISSION



Sheri Haugen-Hoffart
Commissioner



Randy Christmann
Chair



Jill Kringstad
Commissioner