



A Subsidiary of MDU Resources Group, Inc.

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October 31, 2025

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-25-____**

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 3rd Revised Sheet No. 39 of its electric tariff, provided herein as Exhibit 1, to be effective with service rendered on and after February 1, 2026.

Montana-Dakota is requesting to update its RRCA rates to reflect the projected costs through December 31, 2026 related to the Company's investment in the Thunder Spirit, Cedar Hills, Diamond Willow, and Badger Wind facilities.

Included in the proposed costs is the new Badger Wind Project (Badger Wind). Montana-Dakota filed an Advanced Determination of Prudence (Case No. PU-25-075) and Certificate of Public Convenience and Necessity (Case No. PU-25-076 and together with Case No. PU-25-075 the "Cases"), which were approved on September 24, 2025. Badger Wind is expected to have a 35-year life and will qualify for Production Tax Credits (PTCs). The Company used the straight levelization method to spread out the costs of the wind facility to customers over the life of the project. As stated in the Cases above, Badger Wind will provide energy savings to North Dakota customers of approximately \$4 per month.

A comparison of the total proposed costs to be recovered in this filing and the approved costs in Case No. PU-24-366 is outlined on the next page:

	Current Filing	Prior Filing	Variance
Revenue Requirement	\$31,709,400	\$6,767,594	\$24,941,594
Levelization	10,602,283	10,631,340	(29,057)
(Over)/Under Recovered Balance	1,273,704	854,363	419,341
	<u>\$43,585,387</u>	<u>\$18,253,297</u>	<u>\$25,332,090</u>

The total projected 2026 revenue requirement, as allocated to North Dakota, is \$31,709,400 and is detailed in Exhibit 3. The levelization of the revenue requirement includes a credit of \$2,025,703 for the Thunder Spirit Wind facility pursuant to the Orders in Case Nos. PU-19-355 and PU-20-440, \$463,934 for the Diamond Willow Phase 1 Repower Project pursuant to the Order in Case No. PU-21-420, and \$12,164,052 for the Badger Wind facility pursuant to the Order in Case Nos. PU-25-75 and PU-25-76. The projected 2026 RRCA rates also reflect a projected under recovered balance of the current RRCA costs of \$1,273,704 for a total cost of \$43,585,387 to be collected through the proposed RRCA rates. The total costs to be recovered through the proposed rates represent an increase of \$25,332,090, or a 139% increase, from the revenues currently being collected under the RRCA.

The main factors for the change is related to the following:

- The Badger Wind facility is the main driver for the increase. It accounts for an increase to the revenue requirement of approximately \$12 million and increases the total levelization by approximately \$12.2 million. It also contributes to the under recovered balance since the Badger Wind was not part of the 2025 projections in Case No. PU-24-366.
- Thunder Spirit I PTCs expire at the end of 2025. The revenue requirement increase is largely offset by the decrease to the levelization; however, the result is a net increase to the overall cost to be recovered.
- An offset included in this filing is a payment of \$205,796 received by the Company for liquidated damages due to lower production at Thunder Spirit.

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 an increase of \$9.98 per month from the currently authorized charge under Rate 55, representing an increase of \$119.76 annually. This change will constitute an increase of approximately 10.3% to 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, 2025:

	Proposed Rate	Current Rate	Change
Residential & Small General Rate/kWh	\$0.02138	\$0.00890	\$0.01248
Large General/kWh	\$0.02028	\$0.00832	\$0.01196
Lighting/kWh	\$0.02077	\$0.00832	\$0.01245

Please refer all inquiries regarding this filing to:

Travis R. Jacobson
Vice President of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501
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

Montana-Dakota includes a check for \$10,000 for the filing fees in this case. In the event the Commission determines an additional deposit is required, Montana-Dakota will submit the required fees.

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 with any questions regarding this filing.

Sincerely,

A handwritten signature in blue ink that reads "Travis R. Jacobson". The signature is written in a cursive style with a large initial 'T'.

Travis R. Jacobson
Vice President 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-25-____
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 2026 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, as well as Badger Wind Facility projected to go in to service December 2025. Montana-Dakota respectfully requests approval of its Renewable Resource Cost Adjustment Rate 55 tariff, 3rd Revised Sheet No. 39, to be effective with service rendered on and after February 1, 2026. In support of the Company’s Application, Montana-Dakota is providing the following Exhibits:

- Exhibit 1 - Renewable Resource Cost Adjustment Rate 55 3rd Revised Sheet No. 39
- Exhibit 2 - Derivation of Proposed Rates
- Exhibit 3 - Projected 2026 Revenue Requirement
- Exhibit 4 - Balancing Account Summary, 2024 and 2025 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 94,661 customers in North Dakota as of September 30, 2025.

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 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 February 1, 2025 in Case No. PU-24-366.

Montana-Dakota is now requesting to update its RRCA rates to reflect projected costs through December 2026 for all existing wind facilities (Cedar Hills, Diamond Willow, and Thunder Spirit) and to include the Badger Wind facility, as well as the projected under collected balance as of January 2026. 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. Badger Wind also has a levelization component included based on the Order from Case Nos. PU-25-75 and PU-75-26 which states that Montana-Dakota will levelize PTC's received for the 49% share of Badger Wind over the expected life of the project. The Company is proposing the rates proposed herein be effective with service rendered on and after February 1, 2026.

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 \$1,273,704 as

of January 31, 2026, the projected 2026 revenue requirement of \$31,709,400 associated with Thunder Spirit, Cedar Hill, Diamond Willow, and Badger Wind facilities and the projected levelization adjustment of \$10,602,283 reflective of the Commission's Orders in Case Nos. PU-19-355, PU-20-440, PU-21-420, PU-25-75, and PU-25-76. 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	\$31,709,400	\$6,767,594	\$24,941,806
Levelization	10,602,283	10,631,340	(29,057)
(Over)/Under Recovered Balance	1,273,704	854,363	419,341
	<u>\$43,585,387</u>	<u>\$18,253,297</u>	<u>\$25,332,090</u>

As outlined above, the levelization amount that is being projected for the 2026 period is decreasing. While the change in levelization is small, two large and nearly offsetting items occurred. First, Badger Wind is included and adds approximately \$12.2 million to the Company's request. Second, Thunder Spirit I PTCs expire at the end of 2025. The expiration results in a decrease in the levelization from that included in the prior years filing of approximately \$12 million. 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 increasing is the projected plant addition of the new Badger Wind facility that is scheduled to go into service December 2025, and was not included in the prior year projection.

- *Exhibit 3* shows the projected monthly revenue requirements for Montana-Dakota's wind projects for the year ending December 2026. The projected revenue requirement for the twelve months ending December 31, 2026 as allocated to North Dakota is \$31,709,400 as shown in Exhibit 3. This represents an increase of \$24,941,806 from the revenue requirement authorized in Case No. PU-24-366. This is due to the addition of Badger Wind in December 2025 and Thunder Spirit I production tax credits expiring in December 2025. The revenue requirement is comprised of:
 - Average rate base of \$301,523,146. 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, the Diamond Willow Phase 1 levelizing adjustment as ordered in Case No. PU-21-420, and the Badger Wind levelizing adjustment as ordered in Case No. PU-25-75, which uses the straight levelization method over the 35-year life of the project.
 - Continued amortization of the decommissioning costs authorized in Case No. PU-16-666, updated for the most recent decommissioning estimate to include the decommissioning related to Badger Wind.
 - Federal Production Tax Credits (PTCs): reflects a credit of 3.0 cents per kWh of production from the Thunder Spirit Wind II Facility, the Diamond Willow Wind Facility Phase 1 and Phase 2 repower, the Cedar Hills repower, and the Badger Wind Facility. Badger Wind also includes a 10% domestic content adder available through the Inflation Reduction Act of 2022. The available PTCs are included as a reduction to taxes.

- Return: reflective of the projected 2026 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 except Badger Wind which is based on a 35-year life. 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 \$845,939 for 2026, which is a reduction to deferred income tax expense.
- The facilities located in North Dakota, excluding Badger Wind, 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 \$10.8 million available at the end of 2025, and it is projected that \$847,385 of the credit will be utilized in 2026. 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 2026 is projected to be approximately \$11.7 million.

- *Exhibit 4* shows the projected RRCA Balancing Account (per Paragraph 2d of Rate 55) through January 2026. 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, and the new Badger Wind facility, for the years ending December 2025 and December 2026.

V. Updates from the Prior Year Filing - Case No. PU-24-366

On November 4, 2024, Montana-Dakota entered into a 20-year Power Purchase

Agreement (PPA) with Badger Wind, LLC for 150 MW output purchase from the 250 MW Badger Wind Project. Included in the PPA was a purchase option for Montana-Dakota to purchase a 49 percent (122.5 MW) undivided ownership interest in the Project becoming effective at the commercial operation date, which is expected to occur by the end of 2025. The target purchase price for Badger Wind is \$294 million. Montana-Dakota is also estimating an additional \$1.5 million in internal legal fees, employee labor, and capitalized interest on the Project.

Montana-Dakota filed an Advanced Determination of Prudence (ADP) and Certificate of Public Convenience and Necessity (CPCN), which was approved on September 24, 2025 in Case Nos. PU-25-75 and PU-25-76. The Project is expected to have a 35-year life, with a projected in-service date of December, 2025 and will qualify for Production Tax Credits (PTCs). The Company used the straight levelization method to spread out the costs of the wind facility to customers over the life of the project. The Badger Wind Project will reduce the amount of energy Montana-Dakota will need to buy each year and reduce the purchased power costs allocated to North Dakota customers.

VI. Estimated Impact by Customer Class

As shown in Exhibit 2, Montana-Dakota's projected 2026 costs to be recovered under the RRCA rates are \$43,585,387 which includes the projected under-recovered balance of \$1,273,704. A residential customer using 800 kWh would see an increase of \$9.98 per month, or \$119.76 annually.

Montana-Dakota requests approval of the following RRCA rates to be effective February 1, 2026:

	<u>Proposed Rate</u>	<u>Current Rate</u>	<u>Change</u>
Residential & Small General Rate/kWh	\$0.02138	\$0.00890	\$0.01248
Large General/kWh	\$0.02028	\$0.00832	\$0.01196
Lighting/kWh	\$0.02077	\$0.00832	\$0.01245

The main factors for the increase are the addition of the Badger Wind facility to the revenue requirement and levelization and the Thunder Spirit I production tax credits expiring in December 2025.

Montana-Dakota has included a Customer Notice as Exhibit 6 to be included with customer's bills 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 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, 2026.

Dated this 31st day of October 2025.



Travis R. Jacobson
Vice President 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 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 5
3rd Revised Sheet No. 39
Canceling 2nd 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	2.138¢ per Kwh
Large General	2.028¢ per Kwh
Lighting	2.077¢ per Kwh

Date Filed: October 31, 2025

Effective Date:

Issued By: Travis R. Jacobson
Vice President – Regulatory
Affairs

Case No.: PU-25-

Tariff Reflecting Proposed Changes



Montana-Dakota Utilities Co.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 5

~~2nd~~ ~~3rd~~ Revised Sheet No. 39

Canceling ~~4st~~ ~~2nd~~ 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	0.89 <u>0.138</u> ¢ per Kwh
Large General	0.83 <u>2.028</u> ¢ per Kwh
Lighting	0.83 <u>2.077</u> ¢ per Kwh

Date Filed: ~~November 4~~October 31,
2025~~2024~~

Effective Date: ~~Service rendered on and~~
~~after February 1, 2025~~

Issued By: Travis R. Jacobson
~~Vice President~~Director –
Regulatory Affairs

Case No.: PU-25-24-366

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Renewable Resource Cost Adjustment
Proposed 2026 Renewable Rider Rates**

	<u>Total</u>
Revenue Requirement 1/	\$31,709,400
Levelization 1/	10,602,283
Under Recovery 2/	1,273,704
Total Cost to be Recovered through RRCA Rates	<u><u>\$43,585,387</u></u>

<u>Allocation of Costs & Proposed Rates</u>	<u>Allocated RRCA Costs 3/</u>	<u>Projected Billing Determinants</u>	<u>Proposed RRCA Rates</u>
Residential & Small General	\$18,202,571	851,348,611 Kwh	\$0.02138 per Kwh
Large General	25,059,669	1,235,498,156 Kwh	\$0.02028 per Kwh
Lighting	323,147	15,559,408 Kwh	\$0.02077 per Kwh
	<u><u>\$43,585,387</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	\$0.02138	\$0.00890	\$0.01248
Large General	\$0.02028	\$0.00832	\$0.01196
Lighting	\$0.02077	\$0.00832	\$0.01245

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 February 1, 2025.

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Renewable Resource Cost Adjustment
Revenue Requirement - Wind Resources
Projected Year End 2026**

	Projected												Average Balance	
	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026	Sept 2026	Oct 2026	Nov 2026	Dec 2026		
Rate Base														
Total Plant Balance	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	\$500,530,972	
Total Accumulated Reserve	90,325,338	91,910,254	93,495,170	95,080,086	96,665,002	98,249,918	99,834,834	101,419,750	103,004,666	104,589,582	106,174,498	107,759,414		
Net Plant in Service	\$410,205,634	\$408,620,718	\$407,035,802	\$405,450,886	\$403,865,970	\$402,281,054	\$400,696,138	\$399,111,222	\$397,526,306	\$395,941,390	\$394,356,474	\$392,771,558	401,488,596	
Less: Deferred Taxes	\$38,895,362	\$39,831,309	\$40,658,382	\$41,387,875	\$42,031,214	\$42,542,265	\$42,904,283	\$43,147,574	\$43,266,220	\$43,278,770	\$43,056,410	\$42,800,267		
Less: Investment Tax Credit	10,919,852	10,990,467	11,061,082	11,131,697	11,202,312	11,272,927	11,343,542	11,414,157	11,484,772	11,555,387	11,626,002	11,696,617		
Less: Levelization Reg Liability	42,052,715	42,999,124	43,893,338	44,704,920	45,370,625	46,095,923	46,933,578	47,759,415	48,613,517	49,404,043	50,674,654	51,584,799		
Total Rate Base	\$318,337,705	\$314,799,818	\$311,423,000	\$308,226,394	\$305,261,819	\$302,369,939	\$299,514,735	\$296,790,076	\$294,161,797	\$291,703,190	\$288,999,408	\$286,689,875	301,523,146	
Return on Rate Base 1/	\$1,969,715	\$1,947,824	\$1,926,930	\$1,907,151	\$1,888,808	\$1,870,914	\$1,853,247	\$1,836,389	\$1,820,126	\$1,804,913	\$1,788,184	\$1,773,894	\$22,388,095	
Expenses														
Operating Expenses													Total	
Total O&M	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$837,557	\$2,256,524	\$11,469,651
Total Depreciation	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	19,018,992
Property/Generation taxes	90,951	90,951	90,951	90,951	90,951	90,951	90,951	90,951	90,951	90,951	90,951	90,951	90,951	1,091,412
Payroll taxes	3,093	3,093	3,093	3,093	3,093	3,093	3,093	3,093	3,093	3,093	3,093	3,093	3,093	37,116
Total Expenses	\$2,516,517	\$3,935,484	\$31,617,171											
Income before Taxes (EBIT)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$3,935,484)	(\$31,617,171)
Interest Expense	(671,427)	(663,965)	(656,843)	(650,101)	(643,848)	(637,749)	(631,726)	(625,980)	(620,436)	(615,251)	(609,548)	(604,677)	(604,677)	(7,631,551)
AFUDC Equity Add Back	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	18,803	225,633
Taxable income	(\$3,169,141)	(\$3,161,679)	(\$3,154,557)	(\$3,147,815)	(\$3,141,562)	(\$3,135,463)	(\$3,129,440)	(\$3,123,694)	(\$3,118,150)	(\$3,112,965)	(\$3,107,262)	(\$3,101,813)	(\$3,096,341)	(\$39,023,089)
Income Taxes 2/	(\$773,426)	(\$771,605)	(\$769,866)	(\$768,221)	(\$766,695)	(\$765,207)	(\$763,737)	(\$762,334)	(\$760,981)	(\$759,716)	(\$758,324)	(\$756,951)	(\$755,600)	(\$9,523,546)
Less: ARAM Amortization	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,494)	(845,939)
Production Tax Credit	(2,219,044)	(1,446,188)	(1,614,963)	(1,386,713)	(1,556,265)	(1,443,360)	(1,420,852)	(1,203,351)	(1,361,918)	(2,049,838)	(1,734,623)	(2,227,913)	(19,665,028)	
Net Income Taxes	(\$3,062,965)	(\$2,288,288)	(\$2,455,324)	(\$2,225,429)	(\$2,393,455)	(\$2,279,062)	(\$2,255,084)	(\$2,036,180)	(\$2,193,394)	(\$2,880,049)	(\$2,563,442)	(\$3,401,841)	(\$30,034,513)	
Operating Income	\$546,448	(\$228,229)	(\$61,193)	(\$291,088)	(\$123,062)	(\$237,455)	(\$261,433)	(\$480,337)	(\$323,123)	\$363,532	\$46,925	(\$533,643)	(\$1,582,658)	
Revenue Requirement	\$1,882,750	\$2,878,564	\$2,629,963	\$2,907,912	\$2,661,376	\$2,789,029	\$2,797,377	\$3,064,651	\$2,835,169	\$1,906,712	\$2,303,402	\$3,052,495	\$31,709,400	

1/ Projected Capital Structure with authorized return on equity.

	Ratio	Cost	
Long Term Debt:	44.919%	5.172%	2.323%
Short Term Debt:	4.886%	4.251%	0.208%
Common Equity:	50.195%	9.750%	4.894%
	100.000%		7.425%

Thunder Spirit PTC Levelization, grossed up:	(2,025,703)
Diamond Willow Repower PTC Levelization, grossed up:	463,934
Badger Wind PTC Levelization, grossed up:	12,164,052
Total Projected 2026:	\$42,311,683

2/ Tax Rate
1- tax rate

24.4049% (Federal Tax Rate = 21%, Tax Rate = 4.31%)
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			Carrying Charge 4/	
					Deferred Income Tax	Net Balance	Rate 4/		
September 2024									\$2,360,083 5/
October	\$2,360,083	\$849,928	\$1,001,005	\$2,209,006	\$539,106	\$1,669,900	4.5100%	\$6,358	2,215,364
November	2,209,006	686,739	823,100	2,072,645	505,827	1,566,818	4.4200%	6,151	2,085,154
December	2,072,645	979,814	1,162,275	1,890,184	461,298	1,428,886	4.2700%	5,575	1,908,268
January 2025	1,890,184	(58,963)	1,183,265	647,956	158,133	489,823	4.2100%	5,013	671,053
February	647,956	369,165	934,512	82,609	20,161	62,448	4.2200%	1,723	107,429
March	82,609	447,324	921,728 6/	(391,795)	-	(391,795)	4.2000%	219	(366,756)
April	(391,795)	522,705	643,863	(512,953)	-	(512,953)	4.2100%	(1,375)	(489,289)
May	(512,953)	420,702	527,964	(620,215)	-	(620,215)	4.2500%	(1,817)	(598,368)
June	(620,215)	898,016	573,570	(295,769)	-	(295,769)	4.2300%	(2,186)	(276,108)
July	(295,769)	970,392	665,910	8,713	2,126	6,587	4.2500%	(1,048)	27,326
August	8,713	996,058	657,305	347,466	84,799	262,667	4.1200%	23	366,102
September	347,466	1,099,361	677,666	769,161	187,713	581,448	3.9200%	858	788,655
October - Est.	769,161	(172,794)	622,190	(25,823)	-	(25,823)	3.9200%	1,899	(4,430)
November - Est.	(25,823)	224,283	977,950	(779,490)	-	(779,490)	3.9200%	(84)	(758,181)
December - Est.	(779,490)	1,733,389	723,748	230,151	56,168	173,983	3.9200%	(2,546)	248,914
January 2026 - Est.	230,151	1,882,750	858,528	1,254,373	306,128	948,245	3.9200%	568	1,273,704
Total		\$11,848,869	\$12,954,579					\$19,331	

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 2024 Under Collected balance per Case No. PU-24-366, Exhibit 4, page 1.

6/ Includes payment of \$205,796 for Liquidated Damages.

**North Dakota Renewable Rider
Revenue Breakdown**

	Total Revenue Collected	Levelizing Adjustment in Rates 1/	Net Revenue Collected
October	1,693,492	692,487	1,001,005
November	1,392,534	569,434	823,100
December	1,961,046	798,771	1,162,275
		<u>\$8,563,018</u>	<u>\$2,986,380</u>
January 2025	\$2,256,397	\$1,073,132	\$1,183,265
February	1,883,515	949,003	934,512
March	1,612,597	896,665	715,932
April	1,457,669	813,806	643,863
May	1,195,494	667,530	527,964
June	1,300,856	727,286	573,570
July	1,505,860	839,950	665,910
August	1,485,406	828,101	657,305
September	1,534,108	856,442	677,666
October - Est.	1,414,882	792,692	622,190
November - Est.	2,252,043	1,274,093	977,950
December - Est.	1,636,387	912,639	723,748
		<u>\$10,631,339</u>	
January 2026 - Est.	\$1,928,727	\$1,070,199	\$858,528
February - Est.	0	946,409	
March - Est.	0	894,214	
April - Est.	0	811,582	
May - Est.	0	665,705	
June - Est.	0	725,298	
July - Est.	0	837,655	
August - Est.	0	825,837	
September - Est.	0	854,102	
October - Est.	0	790,526	
November - Est.	0	1,270,611	
December - Est.	0	910,145	
		<u>\$10,602,283</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 2024**

	Actual from Prior Filing									Actual			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	
Rate Base													
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	\$282,499,277	\$282,556,981	\$282,734,139	\$282,764,229
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	96,315,199	97,360,615	98,400,541	
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	\$186,184,078	\$185,196,366	\$184,333,598	189,684,480
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	\$44,077,152	\$43,868,860	\$43,653,496	
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	8,735,200	8,882,205	9,123,763	
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	28,982,972	29,552,406	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	\$104,388,754	\$102,892,895	\$101,205,162	109,705,085
Return on Rate Base 1/	\$716,136	\$705,722	\$696,674	\$687,629	\$682,494	\$674,137	\$664,990	\$655,385	\$645,316	\$634,684	\$625,589	\$615,327	\$8,004,083
Expenses													
Operating Expenses													Total
Total O&M	\$321,596	\$321,645	\$319,577	\$318,794	\$305,274	\$351,305	\$348,978	\$329,758	\$359,915	\$358,602	\$357,859	\$979,691	\$4,672,994
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	1,041,718	1,039,599	1,039,925	12,498,967
Property/Generation taxes	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	51,787	65,089	65,089	65,088	661,349
Payroll taxes	3,613	2,966	3,363	3,795	2,393	4,467	4,105	3,917	3,907	5,191	4,060	5,412	47,189
Total Expenses	\$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	\$1,470,600	\$1,466,607	\$2,090,116	\$17,880,499
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)	(\$1,470,600)	(\$1,466,607)	(\$2,090,116)	(\$17,880,499)
Interest Expense	(235,964)	(232,532)	(229,551)	(226,571)	(224,879)	(222,125)	(219,111)	(215,946)	(212,629)	(209,125)	(206,129)	(202,748)	(2,637,310)
AFUDC Equity Add Back	24,363	24,363	24,363	24,363	24,363	24,363	24,363	24,363	24,363	20,622	20,622	20,622	281,133
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)	(\$1,659,103)	(\$1,652,114)	(\$2,272,242)	(\$20,236,676)
Income Taxes 2/	(\$398,226)	(\$397,248)	(\$395,838)	(\$395,036)	(\$390,987)	(\$401,827)	(\$400,470)	(\$394,966)	(\$401,505)	(\$404,902)	(\$403,197)	(\$554,538)	(\$4,938,740)
Less: ARAM Amortization	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(75,948)	(73,635)	(73,635)	(73,635)	(904,437)
Production Tax Credit	(882,469)	(996,356)	(913,307)	(1,290,848)	(961,419)	(993,776)	(676,237)	(969,529)	(1,019,378)	(984,243)	(1,096,223)	(1,336,579)	(12,120,364)
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)	(\$1,462,780)	(\$1,573,055)	(\$1,964,752)	(\$17,963,541)
Operating Income	(\$63,504)	\$49,984	(\$31,679)	\$345,367	\$26,785	\$22,810	(\$293,536)	\$13,637	\$39,914	(\$7,820)	\$106,448	(\$125,364)	\$83,042
Revenue Requirement	\$1,031,337	\$867,435	\$963,492	\$452,757	\$867,396	\$861,599	\$1,267,974	\$848,928	\$800,848	\$849,928	\$686,739	\$979,814	\$10,478,247

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%
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 2025**

	Actual									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	
Rate Base													
Total Plant Balance	\$283,073,756	\$282,956,613	\$283,021,786	\$283,022,635	\$283,022,409	\$283,024,725	\$283,038,383	\$283,037,098	\$287,713,513	\$287,970,591	\$287,970,591	\$500,530,972	\$302,365,256
Total Accumulated Reserve	99,558,643	100,460,656	101,554,934	102,597,519	103,638,885	104,680,371	105,722,780	106,550,579	85,594,075	86,635,617	87,677,975	88,740,422	
Net Plant in Service	\$183,515,113	\$182,495,957	\$181,466,852	\$180,425,116	\$179,383,524	\$178,344,354	\$177,315,603	\$176,486,519	\$202,119,438	\$201,334,974	\$200,292,616	\$411,790,550	204,580,885
Less: Deferred Taxes	\$41,926,967	\$41,718,565	\$41,517,308	\$41,330,826	\$41,174,408	\$40,997,958	\$40,788,385	\$40,576,077	\$40,177,918	\$39,789,690	\$39,278,528	\$38,762,664	
Less: Investment Tax Credit	9,208,314	9,292,865	9,377,416	9,461,967	9,546,519	9,631,070	9,715,621	9,800,172	10,595,584	10,680,135	10,764,686	10,849,237	
Less: Levelization Reg Liability	31,424,309	32,373,312	33,269,977	34,083,783	34,751,313	35,478,599	36,318,549	37,146,650	38,003,092	38,795,784	40,069,877	41,320,058	
Total Rate Base	\$100,955,523	\$99,111,215	\$97,302,151	\$95,548,540	\$93,911,284	\$92,236,727	\$90,493,048	\$88,963,620	\$113,342,844	\$112,069,365	\$110,179,525	\$320,858,591	117,914,369
Return on Rate Base 1/	\$626,681	\$615,233	\$604,003	\$593,118	\$582,954	\$572,559	\$561,736	\$552,242	\$703,576	\$695,671	\$683,939	\$1,991,730	\$8,783,442
Expenses													
Operating Expenses													Total
Total O&M	\$425,306	\$334,179	\$340,722	\$337,518	\$334,271	\$310,938	\$314,503	\$310,523	\$307,204	\$335,019	\$335,019	\$1,493,579	\$5,178,781
Total Depreciation	1,041,858	1,041,854	1,041,472	1,041,483	1,041,482	1,041,485	1,041,497	1,041,549	1,041,542	1,041,542	1,042,358	1,062,447	12,520,569
Property/Generation taxes	56,049	56,049	56,049	56,049	56,049	56,049	56,049	56,049	56,049	56,049	56,049	90,952	707,491
Payroll taxes	3,698	3,278	3,812	3,748	3,996	2,462	2,800	1,957	2,090	3,093	3,093	3,093	37,120
Total Expenses	\$1,526,911	\$1,435,360	\$1,442,055	\$1,438,798	\$1,435,798	\$1,410,934	\$1,414,849	\$1,410,078	\$1,406,885	\$1,435,703	\$1,436,519	\$2,650,071	\$18,443,961
Income before Taxes (EBIT)	(\$1,526,911)	(\$1,435,360)	(\$1,442,055)	(\$1,438,798)	(\$1,435,798)	(\$1,410,934)	(\$1,414,849)	(\$1,410,078)	(\$1,406,885)	(\$1,435,703)	(\$1,436,519)	(\$2,650,071)	(\$18,443,961)
Interest Expense	(207,632)	(203,839)	(200,118)	(196,511)	(193,144)	(189,700)	(186,114)	(182,969)	(233,108)	(230,489)	(226,603)	(659,899)	(2,910,126)
AFUDC Equity Add Back	23,188	23,188	23,188	23,188	23,188	23,188	23,188	23,188	23,188	23,188	23,188	23,185	278,253
Taxable income	(\$1,711,355)	(\$1,616,011)	(\$1,618,985)	(\$1,612,121)	(\$1,605,754)	(\$1,577,446)	(\$1,577,775)	(\$1,569,859)	(\$1,616,805)	(\$1,643,004)	(\$1,639,934)	(\$3,286,785)	(\$21,075,834)
Income Taxes 2/	(\$417,654)	(\$394,386)	(\$395,112)	(\$393,437)	(\$391,883)	(\$384,974)	(\$385,054)	(\$383,123)	(\$394,580)	(\$400,973)	(\$400,224)	(\$802,137)	(\$5,143,537)
Less: ARAM Amortization	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,914)	(898,957)
Production Tax Credit	(1,705,598)	(1,302,223)	(1,237,878)	(1,168,427)	(1,233,926)	(844,750)	(783,049)	(751,313)	(809,905)	(1,786,112)	(1,475,774)	(2,454,393)	(15,553,348)
Net Income Taxes	(\$2,198,165)	(\$1,771,522)	(\$1,707,903)	(\$1,636,777)	(\$1,700,722)	(\$1,304,637)	(\$1,243,016)	(\$1,209,349)	(\$1,279,398)	(\$2,261,998)	(\$1,950,911)	(\$3,331,444)	(\$21,595,842)
Operating Income	\$671,254	\$336,162	\$265,848	\$197,979	\$264,924	(\$106,297)	(\$171,833)	(\$200,729)	(\$127,487)	\$826,295	\$514,392	\$681,373	\$3,151,881
Revenue Requirement	(\$58,963)	\$369,165	\$447,324	\$522,705	\$420,702	\$898,016	\$970,392	\$996,058	\$1,099,361	(\$172,794)	\$224,283	\$1,733,389	\$7,449,638

1/ Projected Capital Structure with authorized return on equity.

	Ratio	Cost	
Long Term Debt:	45.274%	5.061%	2.291%
Short Term Debt:	3.641%	4.858%	0.177%
Common Equity:	51.085%	9.750%	4.981%
	100.000%		7.449%

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 2025

	Actual					
	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025
Rate Base						
Plant Balance						
Thunder Spirit Production	\$142,508,542	\$142,508,542	\$142,622,589	\$142,622,589	\$142,622,589	\$142,622,589
Thunder Spirit Transmission	5,758,927	5,758,928	5,758,928	5,759,777	5,758,928	5,758,928
Thunder Spirit Expansion	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398
Cedar Hills Production	31,791,316	31,787,351	31,787,351	31,787,351	31,787,974	31,790,290
Diamond Willow Production	39,460,979	39,347,800	39,298,926	39,298,926	39,298,926	39,298,926
Diamond Willow Transmission	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594
Badger Wind	0	0	0	0	0	0
Total Plant Balance	283,073,756	282,956,613	283,021,786	283,022,635	283,022,409	283,024,725
Accumulated Reserve						
Thunder Spirit Production	\$47,653,766	\$48,191,048	\$48,742,468	\$49,281,404	\$49,819,372	\$50,357,341
Thunder Spirit Transmission	731,474	735,337	739,200	743,169	746,917	750,779
Thunder Spirit Expansion	15,416,199	15,633,658	15,851,117	16,068,479	16,285,840	16,503,202
Cedar Hills Production	19,248,976	19,350,307	19,457,769	19,563,990	19,670,210	19,776,434
Diamond Willow Production	11,781,537	11,773,446	11,937,352	12,063,280	12,189,181	12,315,081
Diamond Willow Transmission	654,954	656,436	657,917	659,399	660,880	662,362
Badger Wind	0	0	0	0	0	0
Decommissioning Balance	4,071,737	4,120,424	4,169,111	4,217,798	4,266,485	4,315,172
Total Accumulated Reserve	99,558,643	100,460,656	101,554,934	102,597,519	103,638,885	104,680,371
Net Plant in Service	\$183,515,113	\$182,495,957	\$181,466,852	\$180,425,116	\$179,383,524	\$178,344,354
Adds:						
Def. Tax on ND Invest. Tax Credit	\$2,386,197	\$2,405,575	\$2,424,953	\$2,444,331	\$2,463,709	\$2,483,087
Def. Tax on Wind Decommissioning	981,382	994,552	1,007,723	1,020,893	1,034,063	1,047,233
Deferred Tax on Levelization Reg Liability	7,669,071	7,900,674	8,119,505	8,318,113	8,481,023	8,658,517
Less:						
Accum DIT - Thunder Spirit 1/	\$40,255,975	\$40,089,909	\$39,940,606	\$39,807,532	\$39,691,240	\$39,591,178
Accum DIT - Cedar/Diamond 1/	\$12,509,263	\$12,549,278	\$12,585,254	\$12,617,320	\$12,645,342	\$12,669,453
Accum DIT - Badger 1/	\$198,379	\$380,179	\$543,629	\$689,311	\$816,621	\$926,164
Levelization Regulatory Liability	31,424,309	32,373,312	33,269,977	34,083,783	34,751,313	35,478,599
Accum. Def. Invest. Tax Credit	9,208,314	9,292,865	9,377,416	9,461,967	9,546,519	9,631,070
Total Rate Base	\$100,955,523	\$99,111,215	\$97,302,151	\$95,548,540	\$93,911,284	\$92,236,727
Return on Rate Base 2/	\$626,681	\$615,233	\$604,003	\$593,118	\$582,954	\$572,559
Expenses						
Operating Expenses						
O&M - Thunder Spirit	\$276,327	\$278,668	\$279,840	\$275,105	\$271,951	\$272,798
O&M - Cedar Hills	45,595	30,173	32,625	32,581	31,348	5,074
O&M - Diamond Willow	103,384	25,338	28,257	29,832	30,972	33,066
O&M - Badger Wind	0	0	0	0	0	0
Total O&M	425,306	334,179	340,722	337,518	334,271	310,938
Depreciation Expense						
Thunder Spirit Production	\$537,282	\$537,282	\$537,282	\$537,969	\$537,969	\$537,969
Thunder Spirit Transmission	3,863	3,863	3,863	3,864	3,863	3,863
Thunder Spirit Expansion	217,459	217,459	217,459	217,361	217,361	217,361
Cedar Hills Production	106,335	106,410	106,398	106,220	106,220	106,223
Diamond Willow Production	126,750	126,671	126,302	125,901	125,901	125,901
Diamond Willow Transmission	1,482	1,482	1,481	1,481	1,481	1,481
Badger Wind	0	0	0	0	0	0
Wind Decommissioning	48,687	48,687	48,687	48,687	48,687	48,687
Total Depreciation	1,041,858	1,041,854	1,041,472	1,041,483	1,041,482	1,041,485
Property/Generation taxes 3/	56,049	56,049	56,049	56,049	56,049	56,049
Payroll taxes	3,698	3,278	3,812	3,748	3,996	2,462
Total Expenses	\$1,526,911	\$1,435,360	\$1,442,055	\$1,438,798	\$1,435,798	\$1,410,934
Income before Taxes (EBIT)	(\$1,526,911)	(\$1,435,360)	(\$1,442,055)	(\$1,438,798)	(\$1,435,798)	(\$1,410,934)
Interest Expense 2/	(207,632)	(203,839)	(200,118)	(196,511)	(193,144)	(189,700)
AFUDC Equity Add Back	23,188	23,188	23,188	23,188	23,188	23,188
Taxable income	(\$1,711,355)	(\$1,616,011)	(\$1,618,985)	(\$1,612,121)	(\$1,605,754)	(\$1,577,446)
Income Taxes 4/	(\$417,654)	(\$394,386)	(\$395,112)	(\$393,437)	(\$391,883)	(\$384,974)
Less: ARAM Amortization	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)
Production Tax Credit 5/	(1,705,598)	(1,302,223)	(1,237,878)	(1,168,427)	(1,233,926)	(844,750)
Net Income Taxes	(\$2,198,165)	(\$1,771,522)	(\$1,707,903)	(\$1,636,777)	(\$1,700,722)	(\$1,304,637)
Operating Income	\$671,254	\$336,162	\$265,848	\$197,979	\$264,924	(\$106,297)
Revenue Requirement	(\$58,963)	\$369,165	\$447,324	\$522,705	\$420,702	\$898,016

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

	Actual			Projected			Average Balance
	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	
Rate Base							
Plant Balance							
Thunder Spirit Production	\$142,626,646	\$142,626,646	\$142,652,875	\$142,652,875	\$142,652,875	\$142,652,875	
Thunder Spirit Transmission	5,758,928	5,758,927	5,758,928	5,758,928	5,758,928	5,758,928	
Thunder Spirit Expansion	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398	
Cedar Hills Production	31,790,290	31,788,851	34,659,686	34,916,764	34,916,764	34,916,764	
Diamond Willow Production	39,308,527	39,308,682	41,088,032	41,088,032	41,088,032	41,088,032	
Diamond Willow Transmission	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594	
Badger Wind	0	0	0	0	0	212,560,381	
Total Plant Balance	283,038,383	283,037,098	287,713,513	287,970,591	287,970,591	500,530,972	302,365,256
Accumulated Reserve							
Thunder Spirit Production	\$50,896,222	\$51,408,536	\$51,946,521	\$52,484,507	\$53,022,493	\$53,560,479	
Thunder Spirit Transmission	754,642	758,505	762,368	766,231	770,094	773,957	
Thunder Spirit Expansion	16,720,563	16,907,454	17,124,816	17,342,177	17,559,538	17,776,899	
Cedar Hills Production	19,882,668	19,987,464	5,750,628	5,856,856	5,963,900	6,070,944	
Diamond Willow Production	12,440,983	12,410,749	4,881,703	5,007,639	5,133,575	5,259,511	
Diamond Willow Transmission	663,843	665,325	666,806	668,287	669,768	671,249	
Badger Wind	0	0	0	0	0	0	
Decommissioning Balance	4,363,859	4,412,546	4,461,233	4,509,920	4,558,607	4,627,383	
Total Accumulated Reserve	105,722,780	106,550,579	85,594,075	86,635,617	87,677,975	88,740,422	
Net Plant in Service	\$177,315,603	\$176,486,519	\$202,119,438	\$201,334,974	\$200,292,616	\$411,790,550	204,580,885
Adds:							
Def. Tax on ND Invest. Tax Credit	\$2,502,465	\$2,521,843	\$2,714,706	\$2,907,569	\$3,100,432	\$3,293,295	
Def. Tax on Wind Decommissioning	1,060,403	1,073,573	1,086,744	1,099,915	1,113,086	1,131,160	
Deferred Tax on Levelization Reg Liability	8,863,506	9,065,603	9,274,617	9,468,072	9,779,013	10,084,119	
Less:							
Accum DIT - Thunder Spirit 1/	\$39,507,878	\$39,441,341	\$39,391,034	\$39,357,489	\$39,340,174	\$39,339,641	
Accum DIT - Cedar/Diamond 1/	\$12,689,525	\$12,705,558	\$12,717,680	\$12,725,763	\$12,729,935	\$12,730,063	
Accum DIT - Badger 1/	\$1,017,356	\$1,090,197	\$1,145,271	\$1,181,994	\$1,200,950	\$1,201,534	
Levelization Regulatory Liability	36,318,549	37,146,650	38,003,092	38,795,784	40,069,877	41,320,058	
Accum. Def. Invest. Tax Credit	9,715,621	9,800,172	10,595,584	10,680,135	10,764,686	10,849,237	
Total Rate Base	\$90,493,048	\$88,963,620	\$113,342,844	\$112,069,365	\$110,179,525	\$320,858,591	117,914,369
Return on Rate Base 2/	\$561,736	\$552,242	\$703,576	\$695,671	\$683,939	\$1,991,730	\$8,783,442
Expenses							
Operating Expenses							Total
O&M - Thunder Spirit	\$269,307	\$277,818	\$274,896	\$275,190	\$275,190	\$887,050	\$3,914,140
O&M - Cedar Hills	8,682	9,212	9,340	22,737	22,737	73,080	323,184
O&M - Diamond Willow	36,514	23,493	22,968	37,092	37,092	101,831	509,839
O&M - Badger Wind	0	0	0	0	0	431,618	431,618
Total O&M	314,503	310,523	307,204	335,019	335,019	1,493,579	5,178,781
Depreciation Expense							
Thunder Spirit Production	\$537,969	\$537,986	\$537,986	\$537,986	\$537,986	\$537,986	
Thunder Spirit Transmission	3,863	3,863	3,863	3,863	3,863	3,863	
Thunder Spirit Expansion	217,361	217,361	217,361	217,361	217,361	217,361	
Cedar Hills Production	106,235	106,235	106,228	106,228	107,044	107,044	
Diamond Willow Production	125,901	125,936	125,936	125,936	125,936	125,936	
Diamond Willow Transmission	1,481	1,481	1,481	1,481	1,481	1,481	
Badger Wind	0	0	0	0	0	0	
Wind Decommissioning	48,687	48,687	48,687	48,687	48,687	68,776	
Total Depreciation	1,041,497	1,041,549	1,041,542	1,041,542	1,042,358	1,062,447	12,520,569
Property/Generation taxes 3/	56,049	56,049	56,049	56,049	56,049	90,952	707,491
Payroll taxes	2,800	1,957	2,090	3,093	3,093	3,093	37,120
Total Expenses	\$1,414,849	\$1,410,078	\$1,406,885	\$1,435,703	\$1,436,519	\$2,650,071	\$8,443,961
Income before Taxes (EBIT)	(\$1,414,849)	(\$1,410,078)	(\$1,406,885)	(\$1,435,703)	(\$1,436,519)	(\$2,650,071)	(\$8,443,961)
Interest Expense 2/	(186,114)	(182,969)	(233,108)	(230,489)	(226,603)	(659,899)	(2,910,126)
AFUDC Equity Add Back	23,188	23,188	23,188	23,188	23,188	23,185	278,253
Taxable income	(\$1,577,775)	(\$1,569,859)	(\$1,616,805)	(\$1,643,004)	(\$1,639,934)	(\$3,286,785)	(\$21,075,834)
Income Taxes 4/	(\$385,054)	(\$383,123)	(\$394,580)	(\$400,973)	(\$400,224)	(\$802,137)	(\$5,143,537)
Less: ARAM Amortization	(74,913)	(74,913)	(74,913)	(74,913)	(74,913)	(74,914)	(898,957)
Production Tax Credit 5/	(783,049)	(751,313)	(809,905)	(1,786,112)	(1,475,774)	(2,454,393)	(15,553,348)
Net Income Taxes	(\$1,243,016)	(\$1,209,349)	(\$1,279,398)	(\$2,261,998)	(\$1,950,911)	(\$3,331,444)	(\$21,595,842)
Operating Income	(\$171,833)	(\$200,729)	(\$127,487)	\$826,295	\$514,392	\$681,373	\$3,151,881
Revenue Requirement	\$970,392	\$996,058	\$1,099,361	(\$172,794)	\$224,283	\$1,733,389	\$7,449,638

2025 Footnotes:

Factor 271 - Integrated Peak and Energy

2025 71.932447%

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

	Thunder Spirit I & Expand	Cedar Hills / Diamond Willow	Badger Wind			
DIT activity 2025:	(\$3,293,734)	\$793,663	3,605,823			
ND Fac. #271:	71.932447%	71.932447%	71.932447%			
North Dakota activity 2025:	(\$2,369,263)	\$570,901	\$2,593,757			
Monthly:	(\$197,439)	\$47,575	\$216,146			
	January	February	March	April	May	June
	91.78%	84.11%	75.62%	67.40%	58.90%	50.68%
Thunder Spirit:	(\$181,210)	(\$166,066)	(\$149,303)	(\$133,074)	(\$116,292)	(\$100,062)
Cedar/Diamond:	\$43,664	\$40,015	\$35,976	\$32,066	\$28,022	\$24,111
Badger:	\$198,379	\$181,800	\$163,450	\$145,682	\$127,310	\$109,543
	July	August	September	October	November	December
	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
Thunder Spirit:	(\$83,300)	(\$66,537)	(\$50,307)	(\$33,545)	(\$17,315)	(\$533)
Cedar/Diamond:	\$20,072	\$16,033	\$12,122	\$8,083	\$4,172	\$128
Badger:	\$91,192	\$72,841	\$55,074	\$36,723	\$18,956	\$584

2/ Projected Capital Structure with authorized return on equity.

	Ratio	Cost		
Long Term Debt:	45.274%	5.061%	2.291%	
Short Term Debt:	3.641%	4.858%	0.177%	2.468%
Common Equity:	51.085%	9.750%	4.981%	
	100.000%		7.449%	

3/ Property/Generation tax (Thunder Spirit and Badger Wind accrue generation taxes in lieu of ad valorem taxes for production)

Thunder Spirit - Generation:	\$664,697			
Cedar Hills:	22,550			
Diamond Willow:	247,782		Badger Wind:	582,256
	\$935,029			\$582,256
ND Fac. #271:	71.932447%		ND Fac. #271:	71.932447%
Total projected 2025 North Dakota:	\$672,589	Total projected 2025 North Dakota:		\$418,831
Monthly:	\$56,049	Monthly:		\$34,902

4/ Tax Rate
1- tax rate

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

5/ 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:	70,110,000	54,129,000	52,087,000	49,151,000	52,222,000	35,286,000
Projected PTC (rate \$.030/Kwh):	\$2,103,300	\$1,623,870	\$1,562,610	\$1,474,530	\$1,566,660	\$1,058,580
Projected ND PTC (Fac. #271):	\$1,512,955	\$1,168,089	\$1,124,024	\$1,060,666	\$1,126,937	\$761,462

	July	August	September	October	November	December
Thunder Spirit:	33,141,000	31,505,000	33,126,000	65,250,000	55,240,000	71,360,000
Projected PTC (rate \$.030/Kwh):	\$994,230	\$945,150	\$993,780	\$1,957,500	\$1,657,200	\$2,140,800
Projected ND PTC (Fac. #271):	\$715,174	\$679,870	\$714,850	\$1,408,078	\$1,192,065	\$1,539,930

	January	February	March	April	May	June
Diamond Willow Phase 1:	8,927,020	6,215,720	5,275,960	4,993,620	4,957,860	3,859,570
Projected PTC (rate \$.030/Kwh):	\$267,811	\$186,472	\$158,279	\$149,809	\$148,736	\$115,787
Projected ND PTC (Fac. #271):	\$192,643	\$134,134	\$113,854	\$107,761	\$106,989	\$83,288

	July	August	September	October	November	December
Diamond Willow Phase 1:	3,145,330	3,310,670	2,792,650	7,339,000	5,447,000	8,327,000
Projected PTC (rate \$.030/Kwh):	\$94,360	\$99,320	\$83,780	\$220,170	\$163,410	\$249,810
Projected ND PTC (Fac. #271):	\$67,875	\$71,443	\$60,265	\$158,374	\$117,545	\$179,694

	September	October	November	December
Cedar Hills (Eligible for PTC):	1,353,330	6,030,000	4,620,000	6,770,000
Projected PTC (rate \$.030/Kwh):	\$40,600	\$180,900	\$138,600	\$203,100
Projected ND PTC (Fac. #271):	\$29,205	\$130,126	\$99,698	\$146,095

	September	October	November	December
Diamond Willow Phase 2 (Eligible for PTC):	258,810	4,149,000	3,080,000	4,707,000
Projected PTC (rate \$.030/Kwh):	\$7,764	\$124,470	\$92,400	\$141,210
Projected ND PTC (Fac. #271):	\$5,585	\$89,534	\$66,466	\$101,576

	December
Badger Wind (Kwh):	61,560,000
Projected PTC (rate \$.030/Kwh) plus:	
Inflation Reduction Act (10%)	\$2,031,480
Projected ND PTC (Fac #271):	\$1,461,293
1/3 Month of Production:	\$487,098

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Renewable Resource Cost Adjustment
Revenue Requirement - Wind Resources
Projected Year End 2026**

	Projected					
	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026
Rate Base						
Plant Balance						
Thunder Spirit Production	\$142,652,875	\$142,652,875	\$142,652,875	\$142,652,875	\$142,652,875	\$142,652,875
Thunder Spirit Transmission	5,758,928	5,758,928	5,758,928	5,758,928	5,758,928	5,758,928
Thunder Spirit Expansion	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398
Cedar Hills Production	34,916,764	34,916,764	34,916,764	34,916,764	34,916,764	34,916,764
Diamond Willow Production	41,088,032	41,088,032	41,088,032	41,088,032	41,088,032	41,088,032
Diamond Willow Transmission	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594
Badger Wind	212,560,381	212,560,381	212,560,381	212,560,381	212,560,381	212,560,381
Total Plant Balance	500,530,972	500,530,972	500,530,972	500,530,972	500,530,972	500,530,972
Accumulated Reserve						
Thunder Spirit Production	\$54,098,465	\$54,636,451	\$55,174,437	\$55,712,423	\$56,250,409	\$56,788,395
Thunder Spirit Transmission	777,820	781,683	785,546	789,409	793,272	797,135
Thunder Spirit Expansion	17,994,260	18,211,621	18,428,982	18,646,343	18,863,704	19,081,065
Cedar Hills Production	6,177,988	6,285,032	6,392,076	6,499,120	6,606,164	6,713,208
Diamond Willow Production	5,385,447	5,511,383	5,637,319	5,763,255	5,889,191	6,015,127
Diamond Willow Transmission	672,730	674,211	675,692	677,173	678,654	680,135
Badger Wind	506,602	1,013,204	1,519,806	2,026,408	2,533,010	3,039,612
Decommissioning Balance	4,712,026	4,796,669	4,881,312	4,965,955	5,050,598	5,135,241
Total Accumulated Reserve	90,325,338	91,910,254	93,495,170	95,080,086	96,665,002	98,249,918
Net Plant in Service	\$410,205,634	\$408,620,718	\$407,035,802	\$405,450,886	\$403,865,970	\$402,281,054
Adds:						
Def. Tax on ND Invest. Tax Credit 1/	\$3,310,529	\$3,327,763	\$3,344,997	\$3,362,231	\$3,379,465	\$3,396,699
Def. Tax on Wind Decommissioning 5/	1,151,817	1,172,474	1,193,131	1,213,788	1,234,445	1,255,102
Deferred Tax on Levelization Reg Liability	10,262,923	10,493,893	10,712,125	10,910,191	11,072,656	11,249,664
Less:						
Accum DIT - Thunder Spirit 2/	\$37,892,961	\$37,732,622	\$37,588,468	\$37,459,983	\$37,347,702	\$37,251,091
Accum DIT - Cedar/Diamond 2/	\$13,131,927	\$13,219,378	\$13,298,002	\$13,368,079	\$13,429,319	\$13,482,012
Accum DIT - Badger 2/	\$2,595,743	\$3,873,439	\$5,022,165	\$6,046,023	\$6,940,759	\$7,710,627
Levelization Regulatory Liability	42,052,715	42,999,124	43,893,338	44,704,920	45,370,625	46,095,923
Accum. Def. Invest. Tax Credit 1/	10,919,852	10,990,467	11,061,082	11,131,697	11,202,312	11,272,927
Total Rate Base	\$318,337,705	\$314,799,818	\$311,423,000	\$308,226,394	\$305,261,819	\$302,369,939
Return on Rate Base 3/	\$1,969,715	\$1,947,824	\$1,926,930	\$1,907,151	\$1,888,808	\$1,870,914
Expenses						
Operating Expenses 4/						
O&M - Thunder Spirit	\$327,378	\$327,378	\$327,378	\$327,378	\$327,378	\$327,378
O&M - Cedar Hills	32,135	32,135	32,135	32,135	32,135	32,135
O&M - Diamond Willow	46,426	46,426	46,426	46,426	46,426	46,426
O&M - Badger	431,618	431,618	431,618	431,618	431,618	431,618
Total O&M	837,557	837,557	837,557	837,557	837,557	837,557
Depreciation Expense						
Thunder Spirit Production	\$537,986	\$537,986	\$537,986	\$537,986	\$537,986	\$537,986
Thunder Spirit Transmission	3,863	3,863	3,863	3,863	3,863	3,863
Thunder Spirit Expansion	217,361	217,361	217,361	217,361	217,361	217,361
Cedar Hills Production	107,044	107,044	107,044	107,044	107,044	107,044
Diamond Willow Production	125,936	125,936	125,936	125,936	125,936	125,936
Diamond Willow Transmission	1,481	1,481	1,481	1,481	1,481	1,481
Badger Wind	506,602	506,602	506,602	506,602	506,602	506,602
Wind Decommissioning 5/	84,643	84,643	84,643	84,643	84,643	84,643
Total Depreciation	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916
Property/Generation taxes	90,951	90,951	90,951	90,951	90,951	90,951
Payroll taxes	3,093	3,093	3,093	3,093	3,093	3,093
Total Expenses	\$2,516,517	\$2,516,517	\$2,516,517	\$2,516,517	\$2,516,517	\$2,516,517
Income before Taxes (EBIT)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)
Interest Expense 3/	(671,427)	(663,965)	(656,843)	(650,101)	(643,848)	(637,749)
AFUDC Equity Add Back	18,803	18,803	18,803	18,803	18,803	18,803
Taxable income	(\$3,169,141)	(\$3,161,679)	(\$3,154,557)	(\$3,147,815)	(\$3,141,562)	(\$3,135,463)
Income Taxes 6/	(\$773,426)	(\$771,605)	(\$769,866)	(\$768,221)	(\$766,695)	(\$765,207)
Less: ARAM Amortization	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)
Production Tax Credit 7/	(2,219,044)	(1,446,188)	(1,614,963)	(1,386,713)	(1,556,265)	(1,443,360)
Net Income Taxes	(\$3,062,965)	(\$2,288,288)	(\$2,455,324)	(\$2,225,429)	(\$2,393,455)	(\$2,279,062)
Operating Income	\$546,448	(\$228,229)	(\$61,193)	(\$291,088)	(\$123,062)	(\$237,455)
Revenue Requirement	\$1,882,750	\$2,878,564	\$2,629,963	\$2,907,912	\$2,661,376	\$2,789,029

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Renewable Resource Cost Adjustment
Revenue Requirement - Wind Resources
Projected Year End 2026**

	Projected						Average Balance
	July 2026	Aug 2026	Sept 2026	Oct 2026	Nov 2026	Dec 2026	
Rate Base							
Plant Balance							
Thunder Spirit Production	\$142,652,875	\$142,652,875	\$142,652,875	\$142,652,875	\$142,652,875	\$142,652,875	
Thunder Spirit Transmission	5,758,928	5,758,928	5,758,928	5,758,928	5,758,928	5,758,928	
Thunder Spirit Expansion	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398	61,117,398	
Cedar Hills Production	34,916,764	34,916,764	34,916,764	34,916,764	34,916,764	34,916,764	
Diamond Willow Production	41,088,032	41,088,032	41,088,032	41,088,032	41,088,032	41,088,032	
Diamond Willow Transmission	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594	2,436,594	
Badger Wind	212,560,381	212,560,381	212,560,381	212,560,381	212,560,381	212,560,381	
Total Plant Balance	500,530,972						
Accumulated Reserve							
Thunder Spirit Production	\$57,326,381	\$57,864,367	\$58,402,353	\$58,940,339	\$59,478,325	\$60,016,311	
Thunder Spirit Transmission	800,998	804,861	808,724	812,587	816,450	820,313	
Thunder Spirit Expansion	19,298,426	19,515,787	19,733,148	19,950,509	20,167,870	20,385,231	
Cedar Hills Production	6,820,252	6,927,296	7,034,340	7,141,384	7,248,428	7,355,472	
Diamond Willow Production	6,141,063	6,266,999	6,392,935	6,518,871	6,644,807	6,770,743	
Diamond Willow Transmission	681,616	683,097	684,578	686,059	687,540	689,021	
Badger Wind	3,546,214	4,052,816	4,559,418	5,066,020	5,572,622	6,079,224	
Decommissioning Balance	5,219,884	5,304,527	5,389,170	5,473,813	5,558,456	5,643,099	
Total Accumulated Reserve	99,834,834	101,419,750	103,004,666	104,589,582	106,174,498	107,759,414	
Net Plant in Service	\$400,696,138	\$399,111,222	\$397,526,306	\$395,941,390	\$394,356,474	\$392,771,558	401,488,596
Adds:							
Def. Tax on ND Invest. Tax Credit 1/	\$3,413,933	\$3,431,167	\$3,448,401	\$3,465,635	\$3,482,869	\$3,500,103	
Def. Tax on Wind Decommissioning 5/	1,275,759	1,296,416	1,317,073	1,337,730	1,358,387	1,379,044	
Deferred Tax on Levelization Reg Liability	11,454,093	11,655,637	11,864,080	12,057,007	12,367,099	12,589,219	
Less:							
Accum DIT - Thunder Spirit 2/	\$37,170,664	\$37,106,422	\$37,057,849	\$37,025,461	\$37,008,743	\$37,008,228	
Accum DIT - Cedar/Diamond 2/	\$13,525,878	\$13,560,917	\$13,587,409	\$13,605,074	\$13,614,192	\$13,614,473	
Accum DIT - Badger 2/	\$8,351,526	\$8,863,455	\$9,250,516	\$9,508,607	\$9,641,830	\$9,645,932	
Levelization Regulatory Liability	46,933,578	47,759,415	48,613,517	49,404,043	50,674,654	51,584,799	
Accum. Def. Invest. Tax Credit 1/	11,343,542	11,414,157	11,484,772	11,555,387	11,626,002	11,696,617	
Total Rate Base	\$299,514,735	\$296,790,076	\$294,161,797	\$291,703,190	\$288,999,408	\$286,689,875	301,523,146
Return on Rate Base 3/	\$1,853,247	\$1,836,389	\$1,820,126	\$1,804,913	\$1,788,184	\$1,773,894	\$22,388,095
Expenses							
Operating Expenses 4/							Total
O&M - Thunder Spirit	\$327,378	\$327,378	\$327,378	\$327,378	\$327,378	\$939,469	\$4,540,627
O&M - Cedar Hills	32,135	32,135	32,135	32,135	32,135	83,483	436,968
O&M - Diamond Willow	46,426	46,426	46,426	46,426	46,426	111,165	621,851
O&M - Badger	431,618	431,618	431,618	431,618	431,618	1,122,407	5,870,205
Total O&M	837,557	837,557	837,557	837,557	837,557	2,256,524	11,469,651
Depreciation Expense							
Thunder Spirit Production	\$537,986	\$537,986	\$537,986	\$537,986	\$537,986	\$537,986	
Thunder Spirit Transmission	3,863	3,863	3,863	3,863	3,863	3,863	
Thunder Spirit Expansion	217,361	217,361	217,361	217,361	217,361	217,361	
Cedar Hills Production	107,044	107,044	107,044	107,044	107,044	107,044	
Diamond Willow Production	125,936	125,936	125,936	125,936	125,936	125,936	
Diamond Willow Transmission	1,481	1,481	1,481	1,481	1,481	1,481	
Badger Wind	506,602	506,602	506,602	506,602	506,602	506,602	
Wind Decommissioning 5/	84,643	84,643	84,643	84,643	84,643	84,643	
Total Depreciation	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	1,584,916	19,018,992
Property/Generation taxes	90,951	90,951	90,951	90,951	90,951	90,951	1,091,412
Payroll taxes	3,093	3,093	3,093	3,093	3,093	3,093	37,116
Total Expenses	\$2,516,517	\$2,516,517	\$2,516,517	\$2,516,517	\$2,516,517	\$3,935,484	\$31,617,171
Income before Taxes (EBIT)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$2,516,517)	(\$3,935,484)	(\$31,617,171)
Interest Expense 3/	(631,726)	(625,980)	(620,436)	(615,251)	(609,548)	(604,677)	(7,631,551)
AFUDC Equity Add Back	18,803	18,803	18,803	18,803	18,803	18,800	225,633
Taxable income	(\$3,129,440)	(\$3,123,694)	(\$3,118,150)	(\$3,112,965)	(\$3,107,262)	(\$4,521,361)	(\$39,023,089)
Income Taxes 6/	(\$763,737)	(\$762,334)	(\$760,981)	(\$759,716)	(\$758,324)	(\$1,103,434)	(\$9,523,546)
Less: ARAM Amortization	(70,495)	(70,495)	(70,495)	(70,495)	(70,495)	(70,494)	(845,939)
Production Tax Credit 7/	(1,420,852)	(1,203,351)	(1,361,918)	(2,049,838)	(1,734,623)	(2,227,913)	(19,665,028)
Net Income Taxes	(\$2,255,084)	(\$2,036,180)	(\$2,193,394)	(\$2,880,049)	(\$2,563,442)	(\$3,401,841)	(\$30,034,513)
Operating Income	(\$261,433)	(\$480,337)	(\$323,123)	\$363,532	\$46,925	(\$533,643)	(\$1,582,658)
Revenue Requirement	\$2,797,377	\$3,064,651	\$2,835,169	\$1,906,712	\$2,303,402	\$3,052,495	\$31,709,400

2026 Footnotes:

Factor 271 - Integrated Peak and Energy

2025 71.932447%

1/ Investment tax credit:

Projected 2026 Activity: \$847,385
Monthly Amortization: 70,615
Monthly Deferred Tax Amortization: 17,234

2/ Monthly Deferred Income Tax activity is 1/12 of projected 2026 DIT activity.

	Thunder Spirit I & Expand	Cedar Hills / Diamond Willow	Badger Wind			
DIT activity 2025:	(\$3,180,145)	\$1,734,493	25,341,731			
ND Fac. #271:	71.932447%	71.932447%	71.932447%			
North Dakota activity 2025:	(\$2,287,556)	\$1,247,663	\$18,228,927			
Monthly:	(\$190,630)	\$103,972	\$1,519,077			
	January	February	March	April	May	June
	91.78%	84.11%	75.62%	67.40%	58.90%	50.68%
Thunder Spirit:	(\$174,960)	(\$160,339)	(\$144,154)	(\$128,485)	(\$112,281)	(\$96,611)
Cedar/Diamond:	\$95,426	\$87,451	\$78,624	\$70,077	\$61,240	\$52,693
Badger:	\$1,394,209	\$1,277,696	\$1,148,726	\$1,023,858	\$894,736	\$769,868
	July	August	September	October	November	December
	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
Thunder Spirit:	(\$80,427)	(\$64,242)	(\$48,573)	(\$32,388)	(\$16,718)	(\$515)
Cedar/Diamond:	\$43,866	\$35,039	\$26,492	\$17,665	\$9,118	\$281
Badger:	\$640,899	\$511,929	\$387,061	\$258,091	\$133,223	\$4,102

3/ Projected Capital Structure with authorized return on equity.

	Ratio	Cost		
Long Term Debt:	44.919%	5.172%	2.323%	
Short Term Debt:	4.886%	4.251%	0.208%	2.531%
Common Equity:	50.195%	9.750%	4.894%	
	100.000%		7.425%	

4/ Projected O&M - 2026

	Thunder Spirit	Cedar Hills	Diamond Willow	Badger Wind
Projected O&M:	\$5,461,430	\$536,082	\$774,497	\$7,200,385
ND Factor #271:	71.932447%	71.932447%	71.932447%	71.932447%
Budgeted ND O&M:	\$3,928,540	\$385,617	\$557,115	\$5,179,413
Monthly Budgeted O&M:	327,378	32,135	46,426	431,618
Annual Easement (ND Allocated):	612,091	51,348	64,739	690,789
December O&M:	\$939,469	\$83,483	\$111,165	\$1,122,407

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 '25	Net Decomm Balance	Estimated Remaining Life	Annual Amortization
Diamond Willow	\$4,177,020	\$3,004,633	(\$1,233,889)	\$1,770,744	10	\$177,074
Cedar Hills	3,148,387	2,264,712	(929,242)	1,335,470	10	133,547
Thunder Spirit	10,293,127	7,404,098	(2,000,471)	5,403,627	15	360,242
TS Expansion	3,214,039	2,311,937	(443,692)	1,868,245	18	103,791
Badger Wind	11,729,377	8,437,228	0	8,437,228	35	241,064
	\$20,832,573	\$14,985,380	(\$4,607,294)	\$18,815,314		\$1,015,718
				Monthly Decommissioning Amortization:		84,643
				Monthly Deferred Tax Amortization:		20,657

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:	23,599,000	9,737,000	10,722,000	8,860,000	10,387,000	9,200,000
Projected PTC (rate \$.030/Kwh):	\$707,970	\$292,110	\$321,660	\$265,800	\$311,610	\$276,000
Projected ND PTC (Fac. #271):	\$509,260	\$210,122	\$231,378	\$191,196	\$224,149	\$198,534
	July	August	September	October	November	December
Thunder Spirit:	9,233,000	7,323,000	9,065,000	14,375,000	12,169,000	15,721,000
Projected PTC (rate \$.030/Kwh):	\$276,990	\$219,690	\$271,950	\$431,250	\$365,070	\$471,630
Projected ND PTC (Fac. #271):	\$199,246	\$158,028	\$195,620	\$310,209	\$262,604	\$339,255
	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 \$.030/Kwh):	\$180,570	\$148,800	\$157,950	\$133,980	\$136,110	\$143,520
Projected ND PTC (Fac. #271):	\$129,888	\$107,035	\$113,617	\$96,375	\$97,907	\$103,237
	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 \$.030/Kwh):	\$124,410	\$101,610	\$112,320	\$220,170	\$163,410	\$249,810
Projected ND PTC (Fac. #271):	\$89,491	\$73,091	\$80,795	\$158,374	\$117,545	\$179,694
	January	February	March	April	May	June
Cedar Hills (Eligible for PTC):	4,700,000	3,700,000	5,350,000	4,740,000	5,260,000	5,360,000
Projected PTC (rate \$.030/Kwh):	\$141,000	\$111,000	\$160,500	\$142,200	\$157,800	\$160,800
Projected ND PTC (Fac. #271):	\$101,425	\$79,845	\$115,452	\$102,288	\$113,509	\$115,667
	July	August	September	October	November	December
Cedar Hills (Eligible for PTC):	4,720,000	4,320,000	3,800,000	6,030,000	4,620,000	6,770,000
Projected PTC (rate \$.030/Kwh):	\$141,600	\$129,600	\$114,000	\$180,900	\$138,600	\$203,100
Projected ND PTC (Fac. #271):	\$101,856	\$93,224	\$82,003	\$130,126	\$99,698	\$146,095
	January	February	March	April	May	June
Diamond Willow Phase 2 (Eligible for PTC):	3,403,000	2,804,000	2,977,000	2,524,000	2,565,000	2,705,000
Projected PTC (rate \$.030/Kwh):	\$102,090	\$84,120	\$89,310	\$75,720	\$76,950	\$81,150
Projected ND PTC (Fac. #271):	\$73,436	\$60,510	\$64,243	\$54,467	\$55,352	\$58,373
	July	August	September	October	November	December
Diamond Willow Phase 2 (Eligible for PTC):	2,345,000	1,914,000	2,117,000	4,149,000	3,080,000	4,707,000
Projected PTC (rate \$.030/Kwh):	\$70,350	\$57,420	\$63,510	\$124,470	\$92,400	\$141,210
Projected ND PTC (Fac. #271):	\$50,604	\$41,304	\$45,684	\$89,534	\$66,466	\$101,576
	January	February	March	April	May	June
Badger Wind (Kwh):	59,190,000	41,650,000	45,930,000	39,700,000	44,880,000	40,760,000
Projected PTC (rate \$.030/Kwh) plus:						
Inflation Reduction Act (10%)	\$1,953,270	\$1,374,450	\$1,515,690	\$1,310,100	\$1,481,040	\$1,345,080
Projected ND PTC (Fac #271):	\$1,405,035	\$988,676	\$1,090,273	\$942,387	\$1,065,348	\$967,549
	July	August	September	October	November	December
Badger Wind (Kwh):	41,270,000	35,290,000	40,350,000	57,360,000	50,060,000	61,560,000
Projected PTC (rate \$.030/Kwh) plus:						
Inflation Reduction Act (10%)	\$1,361,910	\$1,164,570	\$1,331,550	\$1,892,880	\$1,651,980	\$2,031,480
Projected ND PTC (Fac #271):	\$979,655	\$837,704	\$957,816	\$1,361,595	\$1,188,310	\$1,461,293

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

Badger Wind Additions:

Plant Additions: \$295,500,000

Plant in Service: \$295,500,000
ND Fac. #271: 71.932447%
ND Plant: \$212,560,381 1/
Depreciation Rate: 2.86% 2/
Annual ND Depreciation: \$6,079,227
Monthly Depreciation: \$506,602 1/

1/ Plant balance estimated in service December 2025.

Depreciation expense begins January 2026.

2/ Based on 35 year life.

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

Thunder Spirit:

Estimated total PTC value, 2020 - 2028

Year	PTC Total
2020	\$10,454,846 1/
2021	9,759,184 1/
2022	10,552,960 1/
2023	9,612,345 1/
2024	10,899,720 1/
2025	13,004,100 2/
2026	3,029,601 3/
2027	3,125,342 4/
2028	3,125,342 4/
Total Thunder Spirit PTC Value: \$73,563,440	
	6.2% 5/
	\$4,560,933

Difference, 2026 Projected to 2026 Levelized: (\$1,531,332)

2026 Levelized - Grossed Up for Tax: (\$2,025,703)

Diamond Willow Phase 1:

Estimated total PTC value, 2022 - 2032

Year	PTC Total
2022	\$229,043 1/
2023	1,054,919 1/
2024	1,220,644 1/
2025	1,325,990 2/
2026	1,347,049 3/
2027	1,377,644 4/
2028	1,377,644 4/
2029	1,377,644 4/
2030	1,377,644 4/
2031	1,377,644 4/
2032	1,043,840 4/
Total Diamond Willow PTC Value: \$13,109,705	
	7.6% 6/
	\$996,338

Difference, 2026 Projected to 2026 Levelized: \$350,711

2026 Levelized - Grossed Up for Tax: \$463,934

Badger Wind:

Estimated total PTC value, 2025 - 2035

Year	PTC Total 7/
2025	487,098 8/
2026	13,245,926 3/
2027	13,444,615 4/
2028	13,646,284 4/
2029	13,850,978 4/
2030	14,058,743 4/
2031	14,269,624 4/
2032	14,483,668 4/
2033	14,700,923 4/
2034	14,921,437 4/
2035	14,658,161 4/
Total Badger Wind PTC Value: \$141,767,458	
	2.9% 9/
	\$4,050,499

Difference, 2025 Projected to 2025 Levelized: \$149,556

Difference, 2026 Projected to 2026 Levelized: \$9,195,427

2026 Levelized - Grossed Up for Tax: \$12,164,052

1/ Reflects actual PTC.

2/ Reflects actual PTC through September 2025, projected October - December 2025.

3/ Reflects updated projected PTC for 2026.

4/ Estimated annual PTCs.

5/ 2026 Thunder Spirit levelization factor per Commission's Order in Case Nos. PU-19-355 and PU-20-440.

6/ 2026 Diamond Willow Phase 1 levelization factor approved per Commission's Order in Case No. PU-21-420.

7/ Estimated annual PTCs at 3.0 cents per Kwh, plus 10% domestic content adder through the Inflation Reduction Acts of 2022, and a 1.5% escalation factor per year.

8/ Reflects projected December 2025.

9/ 2026 Badger Wind levelization factor.

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

On October 31, 2025, 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 four wind facilities (Diamond Willow, Cedar Hills, Thunder Spirit, and Badger Wind – new wind facility expected to be in-service by year end 2025) currently not being recovered through the Company's electric service rates and the amortization of the under-recovered RRCA balance through January 2026.

Montana-Dakota has requested the proposed RRCA rates be effective with service rendered on and after February 1, 2026, 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 an increase of \$9.98 per month, or \$119.76 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	\$0.00890 per Kwh
Proposed Rate	\$0.02138 per Kwh
Change	\$0.01248 per Kwh
	Large General
Applicable Rate Schedules	30, 31, 32, 38, 48, and contracts
Current Rate	\$0.00832 per Kwh
Proposed Rate	\$0.02028 per Kwh
Change	\$0.01196 per Kwh
	Lighting
Applicable Rate Schedules	41 & 52
Current Rate	\$0.00832 per Kwh
Proposed Rate	\$0.02077 per Kwh
Change	\$0.01245 per Kwh

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