



MONTANA-DAKOTA UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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December 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-26-010
January 2026**

Montana-Dakota Utilities Co. (Montana-Dakota or Company) 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. Specifically, the Company is filing to adjust the Change in Current Cost of Fuel component of the total F&PP Adjustment.

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 January 2026. Pages 2 through 4 show the calculation of the adjustment which is based on a four-month historical average cost of fuel and purchased power.

The net effect of this F&PP Adjustment for primary and secondary service customers compared to the effective rates is shown below. The change is largely the result of a per unit decrease in fuel costs due to higher wind generation.

	Primary	Secondary
F&PP Effective January 1, 2026	\$0.03101	\$0.02803
F&PP Effective December 1, 2025	0.03108	0.02810
Change	(\$0.00007)	(\$0.00007)

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 94,716 electric customers in North Dakota as of November 30, 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) 954-9072 or tyler.culbertson@mdu.com.

Sincerely,

/s/ Tyler J Culbertson

Tyler J Culbertson
Director of Regulatory Affairs

Attachment

**MONTANA-DAKOTA UTILITIES CO.
ELECTRIC INTEGRATED SYSTEM - NORTH DAKOTA
FUEL AND PURCHASED POWER ADJUSTMENT
JANUARY 2026 ADJUSTMENT**

	<u>Primary</u>	<u>Secondary</u>
Current Cost of Fuel (Page 2)	\$0.02433	\$0.02472
Prior Cost of Fuel	0.02440	0.02479
Change in Cost of Fuel	<u>(\$0.00007)</u>	<u>(\$0.00007)</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	 \$0.02433	 \$0.02472
Surcharge Adjustment	0.00668	0.00331
Total	<u><u>\$0.03101</u></u>	<u><u>\$0.02803</u></u>

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

	Total 1/	Allocation to 2/ North Dakota	Allocation to 3/	
			Primary	Secondary
Fuel & Purchased Power Cost				
Accounts 501 Coal and 547 Gas	\$10,993,339	\$7,831,600	\$1,370,587	\$6,461,013
Account 502 Reagent	836,243	595,735	104,258	491,477
Account 555 Energy	15,269,514	10,877,926	1,903,716	8,974,210
Accounts 555 Demand and 547 Pipeline Charges	984,210	718,469	111,574	606,895
Account 575 Market Admin.	163,280	116,320	20,357	95,963
Total F&PP Cost	<u>\$28,246,586</u>	<u>\$20,140,050</u>	<u>\$3,510,492</u>	<u>\$16,629,558</u>
Less:				
Wholesale Sales Revenue	\$1,492,000	\$1,062,893	\$186,014	\$876,879
Sale of RECs Revenue	828,696	596,101	104,322	491,779
Rate 45 Margin Sharing 4/	2,310,166	2,310,166	404,296	1,905,870
Total Revenue	<u>\$4,630,862</u>	<u>\$3,969,160</u>	<u>\$694,632</u>	<u>\$3,274,528</u>
Net System Cost	\$23,615,724	\$16,170,890	\$2,815,860	\$13,355,030
kWh Retail Sales	920,758,973	655,944,134	<u>115,751,257</u>	<u>540,192,877</u>
Cost Per kWh	\$0.02565	\$0.02465	<u>\$0.02433</u>	<u>\$0.02472</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**

	2025				Total
	August	September	October	November	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$3,064,962	\$2,748,219	\$2,264,161	\$2,915,997	\$10,993,339
Account 502 Reagent	194,971	190,456	180,447	270,369	836,243
Account 555 Energy 1/	6,304,785	4,315,842	1,630,653	3,018,234	15,269,514
Accounts 555 Demand and 547 Pipeline Charges	425,834	276,585	118,170	163,621	984,210
Account 575 Market Admin.	41,502	39,083	40,039	42,656	163,280
Total F&PP Cost	<u>\$10,032,054</u>	<u>\$7,570,185</u>	<u>\$4,233,470</u>	<u>\$6,410,877</u>	<u>\$28,246,586</u>
Less:					
Wholesale Sales Revenue	\$252,384	\$375,527	\$408,746	\$455,343	\$1,492,000
Sale of RECs Revenue	0	828,696	0	0	828,696
Total Revenue	<u>\$252,384</u>	<u>\$1,204,223</u>	<u>\$408,746</u>	<u>\$455,343</u>	<u>\$2,320,696</u>
Net System Cost	\$9,779,670	\$6,365,962	\$3,824,724	\$5,955,534	\$25,925,890
kWh Retail Sales	244,857,531	252,041,601	229,705,316	194,154,525	<u>920,758,973</u>
Cost Per kWh	\$0.03994	\$0.02526	\$0.01665	\$0.03067	<u><u>\$0.02816</u></u>

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

		2025			
Account No.	Account Description	August	September	October	November
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$2,785,053	\$1,622,720	\$490,372	\$869,904
555.114	Real-Time Asset Energy	(78,857)	(148,233)	(171,238)	(320,036)
555.117	Real-Time Excessive Energy	(1,010)	236	(32)	(31)
555.118	Real-Time Non-Excessive Energy	702,671	551,439	315,017	692,685
555.1211	Day-Ahead Asset Congestion 1/	0	0	0	65
555.1212	Day-Ahead Financial Bilateral Congestion Loss	1,136,015	649,736	254,105	(12,445)
555.1230	Revenue Rights Transaction	(263,336)	(297,223)	(297,223)	(297,223)
555.1232	Revenue Rights Infeasible Uplift	372	6,716	6,719	6,720
555.1233	Revenue Rights Stage 2 Distribution	(95,275)	(110,457)	(110,456)	(110,457)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(8,649)	31	(1,089)	(1,140)
555.132	Day-Ahead Financial Bilateral Transaction Loss	45,890	18,477	12,208	25,267
555.134	Day-Ahead Virtual Loss	(59,812)	152,647	0	0
555.135	Real-Time Asset Loss	539,033	601,391	92,599	502,709
555.136	Real-Time Distribution of Loss	(108,689)	(63,507)	(41,048)	(44,889)
555.151	Day-Ahead Rev Suff Guarantee Distribution	0	4,441	7,563	8,160
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	(43,112)	(4,509)	(14,687)	(133)
555.153	Real-Time Miscellaneous	4	558	393	(1,270)
555.154	Real-Time Net Inadvertent Distribution	3,549	834	(106)	(399)
555.155	Real-Time Revenue Neutrality Uplift	144,263	136,142	136,293	119,702
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	5,055	6,734	(750)	4,227
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	(8,441)	(1,647)	0	(2,045)
555.159	Day-Ahead Schedule 24	7,256	6,377	6,576	8,064
555.160	Real-Time Schedule 24	1,136	773	1,112	1,183
555.162	Real-Time Price Volatility Make Whole Payment	(45,959)	(20,711)	(41,197)	(19,103)
555.164	Real-Time Schedule 49	10,135	11,842	12,803	12,463
555.1700	Day-Ahead Regulation Amount	(326)	(492)	(3,591)	(386)
555.1701	Day-Ahead Spinning Reserve Amount	(14,255)	(9,523)	(23,245)	(11,062)
555.1702	Day-Ahead Supplemental Reserve Amount	(78)	(255)	(379)	0
555.1703	Day-Ahead Ramp Capability	(10,258)	(4,690)	(10,071)	(3,766)
555.1704	Day-Ahead Short Term Reserve Amount	(75,427)	(39,322)	(30,721)	(7,894)
555.1710	Real-Time Net Regulation Adjustment	0	(6)	4	34
555.1711	Real-Time Excessive Deficient Energy Deployment	231	763	1,162	1,013
555.1713	Real-Time Regulation Amount	181	432	2,871	49
555.1714	Real-Time Spinning Reserve Amount	2,102	3,602	4,034	(3,454)
555.1715	Real-Time Supplemental Reserve Amount	(166)	(91)	(65)	0
555.1716	Real-Time Regulation Cost Distribution	24,275	16,413	32,791	37,552
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	10,438	10,515	13,834	17,084
555.1718	Real-Time Supplemental Reserve Cost Distribution	6,286	6,781	5,329	2,246
555.1719	Real-Time Demand Response Allocation Uplift	8,101	10,611	46	1,228
555.1720	Real-Time Ramp Capability	(2,228)	(1,327)	(382)	(2,618)
555.1721	Real-Time Short Term Cost Distribution Amount	71,387	38,786	27,658	20,283
555.1723	Real-Time Short Term Reserve Amount	2,762	1,969	1,089	(4,260)
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	12,340	39,094	57,766	151,847
555.186	Real-Time Over Collected Losses	(98,050)	(106,739)	(132,987)	(124,954)
555.1915	Real-Time Asset Congestion	625,054	387,404	(246,640)	262,506
555.1920	Auction Revenue Rights-Daily	(359,801)	(550,169)	(154,654)	(149,665)
	<u>Other</u>				
555.X	Purchased Power	1,434,424	1,386,734	1,428,360	1,390,175
555.5	Purchased Power Cogeneration	501	545	510	298
	Total Account 555 Energy	<u>\$6,304,785</u>	<u>\$4,315,842</u>	<u>\$1,630,653</u>	<u>\$3,018,234</u>