



MONTANA-DAKOTA UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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January 16, 2026

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
February 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.

Exhibit A, page 1 summarizes the F&PP Adjustment calculated pursuant to the terms of Rate 58 that will apply during the month of February 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 February 1, 2026	\$0.03099	\$0.02797
F&PP Effective January 1, 2026	0.03101	0.02803
Change	(\$0.00002)	(\$0.00006)

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 94,744 electric customers in North Dakota as of December 31, 2025.

In response to Paragraph No. 11 of NDAC Section 69-09-02-39, Montana-Dakota purchases natural gas used for electric generation from its own gas operations or transports natural gas purchased from others under the applicable gas tariff approved and on file with the Commission in the state where the purchase is made or the transportation occurs. Montana-Dakota also has an agreement with its own gas operations associated with the pipeline utilized to transport firm natural gas service to the Heskett Generating Station pursuant to the order in Case Nos. PU-14-108 and PU-14-109.

If you have any questions regarding this filing, please contact me at (701) 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
FEBRUARY 2026 ADJUSTMENT**

	<u>Primary</u>	<u>Secondary</u>
Current F&PP Adjustment (Page 2)	\$0.02431	\$0.02466
Prior F&PP Adjustment	0.02433	0.02472
Change in F&PP Adjustment	<u>(\$0.00002)</u>	<u>(\$0.00006)</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>
 F&PP Adjustment	 \$0.02431	 \$0.02466
Surcharge Adjustment	0.00668	0.00331
Total F&PP Adjustment Billed Under Rate 58	<u><u>\$0.03099</u></u>	<u><u>\$0.02797</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	\$10,533,931	\$7,552,349	\$1,278,223	\$6,274,126
Account 502 Reagent	900,925	645,922	109,321	536,601
Account 555 Energy	16,387,239	11,748,904	1,988,483	9,760,421
Accounts 555 Demand and 547 Pipeline Charges	949,917	693,436	107,686	585,750
Account 575 Market Admin.	166,644	119,476	20,221	99,255
Total F&PP Cost	<u>\$28,938,656</u>	<u>\$20,760,087</u>	<u>\$3,503,934</u>	<u>\$17,256,153</u>
Less:				
Wholesale Sales Revenue	\$1,712,031	\$1,227,448	\$207,744	\$1,019,704
Sale of RECs Revenue	828,696	596,101	100,889	495,212
Rate 45 Margin Sharing 4/	2,299,046	2,299,046	389,110	1,909,936
Total Revenue	<u>\$4,839,773</u>	<u>\$4,122,595</u>	<u>\$697,743</u>	<u>\$3,424,852</u>
Net System Cost	\$24,098,883	\$16,637,492	\$2,806,191	\$13,831,301
kWh Retail Sales	943,437,626	676,401,817	<u>115,440,271</u>	<u>560,961,546</u>
Cost Per kWh	\$0.02554	\$0.02460	<u><u>\$0.02431</u></u>	<u><u>\$0.02466</u></u>

1/ Page 3.

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

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

4/ Case No. PU-22-371.

Factor No. 15 ND	72.999608%
Factor No. 2 Primary	15.529398%
Factor No. 2 Secondary	84.470602%

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

	2025				Total
	September	October	November	December	
Fuel & Purchased Power Cost					
Accounts 501 Coal and 547 Gas	\$2,748,219	\$2,264,161	\$2,915,997	\$2,605,554	\$10,533,931
Account 502 Reagent	190,456	180,447	270,369	259,653	900,925
Account 555 Energy 1/ Accounts 555 Demand and 547 Pipeline Charges	4,315,842	1,630,653	3,018,234	7,422,510	16,387,239
Account 575 Market Admin.	276,585	118,170	163,621	391,541	949,917
Total F&PP Cost	39,083	40,039	42,656	44,866	166,644
	<u>\$7,570,185</u>	<u>\$4,233,470</u>	<u>\$6,410,877</u>	<u>\$10,724,124</u>	<u>\$28,938,656</u>
Less:					
Wholesale Sales Revenue	\$375,527	\$408,746	\$455,343	\$472,415	\$1,712,031
Sale of RECs Revenue	828,696	0	0	0	828,696
Total Revenue	<u>\$1,204,223</u>	<u>\$408,746</u>	<u>\$455,343</u>	<u>\$472,415</u>	<u>\$2,540,727</u>
Net System Cost	\$6,365,962	\$3,824,724	\$5,955,534	\$10,251,709	\$26,397,929
kWh Retail Sales	252,041,601	229,705,316	194,154,525	267,536,184	<u>943,437,626</u>
Cost Per kWh	\$0.02526	\$0.01665	\$0.03067	\$0.03832	<u><u>\$0.02798</u></u>

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

		2025			
Account No.	Account Description	September	October	November	December
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$1,622,720	\$490,372	\$869,904	\$5,445,999
555.114	Real-Time Asset Energy	(148,233)	(171,238)	(320,036)	(518,998)
555.117	Real-Time Excessive Energy	236	(32)	(31)	84
555.118	Real-Time Non-Excessive Energy	551,439	315,017	692,685	50,488
555.1211	Day-Ahead Asset Congestion 1/	0	0	65	(7,196)
555.1212	Day-Ahead Financial Bilateral Congestion Loss	649,736	254,105	(12,445)	(154,805)
555.1230	Revenue Rights Transaction	(297,223)	(297,223)	(297,223)	(259,365)
555.1232	Revenue Rights Infeasible Uplift	6,716	6,719	6,720	5,409
555.1233	Revenue Rights Stage 2 Distribution	(110,457)	(110,456)	(110,457)	(145,944)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	31	(1,089)	(1,140)	(18,128)
555.132	Day-Ahead Financial Bilateral Transaction Loss	18,477	12,208	25,267	37,404
555.134	Day-Ahead Virtual Loss	152,647	0	0	0
555.135	Real-Time Asset Loss	601,391	92,599	502,709	571,144
555.136	Real-Time Distribution of Loss	(63,507)	(41,048)	(44,889)	(139,519)
555.151	Day-Ahead Rev Suff Guarantee Distribution	4,441	7,563	8,160	17,304
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	(4,509)	(14,687)	(133)	(3,720)
555.153	Real-Time Miscellaneous	558	393	(1,270)	2
555.154	Real-Time Net Inadvertent Distribution	834	(106)	(399)	6,002
555.155	Real-Time Revenue Neutrality Uplift	136,142	136,293	119,702	182,701
555.156	Real-Time Rev Suff Guarantee First Pass Distribution	6,734	(750)	4,227	8,650
555.157	Real-Time Rev Suff Guarantee Make Whole Payment	(1,647)	0	(2,045)	0
555.159	Day-Ahead Schedule 24	6,377	6,576	8,064	7,752
555.160	Real-Time Schedule 24	773	1,112	1,183	1,401
555.162	Real-Time Price Volatility Make Whole Payment	(20,711)	(41,197)	(19,103)	(40,216)
555.164	Real-Time Schedule 49	11,842	12,803	12,463	12,982
555.1700	Day-Ahead Regulation Amount	(492)	(3,591)	(386)	(919)
555.1701	Day-Ahead Spinning Reserve Amount	(9,523)	(23,245)	(11,062)	(13,043)
555.1702	Day-Ahead Supplemental Reserve Amount	(255)	(379)	0	0
555.1703	Day-Ahead Ramp Capability	(4,690)	(10,071)	(3,766)	(3,576)
555.1704	Day-Ahead Short Term Reserve Amount	(39,322)	(30,721)	(7,894)	(8,699)
555.1710	Real-Time Net Regulation Adjustment	(6)	4	34	1
555.1711	Real-Time Excessive Deficient Energy Deployment	763	1,162	1,013	733
555.1713	Real-Time Regulation Amount	432	2,871	49	753
555.1714	Real-Time Spinning Reserve Amount	3,602	4,034	(3,454)	(1,301)
555.1715	Real-Time Supplemental Reserve Amount	(91)	(65)	0	(5)
555.1716	Real-Time Regulation Cost Distribution	16,413	32,791	37,552	34,092
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	10,515	13,834	17,084	13,714
555.1718	Real-Time Supplemental Reserve Cost Distribution	6,781	5,329	2,246	1,481
555.1719	Real-Time Demand Response Allocation Uplift	10,611	46	1,228	809
555.1720	Real-Time Ramp Capability	(1,327)	(382)	(2,618)	(634)
555.1721	Real-Time Short Term Cost Distribution Amount	38,786	27,658	20,283	21,595
555.1723	Real-Time Short Term Reserve Amount	1,969	1,089	(4,260)	(1,591)
	<u>Southwest Power Pool (SPP)</u>				
555.185	Real-Time Asset Losses	39,094	57,766	151,847	220,694
555.186	Real-Time Over Collected Losses	(106,739)	(132,987)	(124,954)	(109,916)
555.1915	Real-Time Asset Congestion	387,404	(246,640)	262,506	900,362
555.1920	Auction Revenue Rights-Daily	(550,169)	(154,654)	(149,665)	(131,929)
	<u>Other</u>				
555.X	Purchased Power	1,386,734	1,428,360	1,390,175	1,440,397
555.5	Purchased Power Cogeneration	545	510	298	61
	Total Account 555 Energy	<u>\$4,315,842</u>	<u>\$1,630,653</u>	<u>\$3,018,234</u>	<u>\$7,422,510</u>