

**Montana-Dakota Utilities Co.
Electric Utility - South Dakota
Transmission Rider
Revenue Requirement
Projected 2021**

	Projected												Average Balance
	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	June 2021	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	
Rate Base													
<u>Plant Balance:</u>													
Leola	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311	\$66,311
Dickinson	613,192	613,192	613,192	613,192	613,192	613,192	613,192	613,192	613,192	613,192	613,192	613,192	613,192
Greenway 5/	0	0	0	0	0	0	0	0	0	0	0	9,817,415	
Total Plant Balance	\$679,503	\$679,503	\$679,503	\$679,503	\$679,503	\$679,503	\$679,503	\$679,503	\$679,503	\$679,503	\$679,503	\$10,496,918	\$1,497,621
<u>Accumulated Reserve:</u>													
Leola	\$1,314	\$1,402	\$1,490	\$1,578	\$1,666	\$1,754	\$1,842	\$1,930	\$2,018	\$2,106	\$2,194	\$2,282	
Dickinson	6,842	7,838	8,834	9,830	10,826	11,822	12,818	13,814	14,810	15,806	16,802	17,798	
Greenway	0	0	0	0	0	0	0	0	0	0	0	0	
Total Accumulated Reserve	\$8,156	\$9,240	\$10,324	\$11,408	\$12,492	\$13,576	\$14,660	\$15,744	\$16,828	\$17,912	\$18,996	\$20,080	\$14,118
Net Plant in Service	\$671,347	\$670,263	\$669,179	\$668,095	\$667,011	\$665,927	\$664,843	\$663,759	\$662,675	\$661,591	\$660,507	\$10,476,838	\$1,483,503
Accum Def Income Taxes 1/	\$11,356	\$17,300	\$22,644	\$27,407	\$31,569	\$35,151	\$38,133	\$40,515	\$42,316	\$43,517	\$44,137	\$44,156	
Total Plant in Service	\$659,991	\$652,963	\$646,535	\$640,688	\$635,442	\$630,776	\$626,710	\$623,244	\$620,359	\$618,074	\$616,370	\$10,432,682	\$1,450,320
Return on Rate Base 2/	\$3,969	\$3,926	\$3,888	\$3,853	\$3,821	\$3,793	\$3,769	\$3,748	\$3,730	\$3,717	\$3,706	\$62,735	\$104,655
Expenses													
Operating Expenses													Total
<u>Depreciation:</u>													
Leola	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$1,056
Dickinson	996	996	996	996	996	996	996	996	996	996	996	996	11,952
Greenway 6/	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Depreciation	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$13,008
Property Tax 3/	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$387	4,633
Total Expenses	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,471	\$17,641
Income before Taxes	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,470)	(\$1,471)	
Interest Expense	1,418	1,403	1,390	1,377	1,366	1,356	1,347	1,339	1,333	1,328	1,325	22,422	37,404
Taxable income	(\$2,888)	(\$2,873)	(\$2,860)	(\$2,847)	(\$2,836)	(\$2,826)	(\$2,817)	(\$2,809)	(\$2,803)	(\$2,798)	(\$2,795)	(\$23,893)	(\$55,045)
Income Taxes 4/	(\$606)	(\$603)	(\$601)	(\$598)	(\$596)	(\$593)	(\$592)	(\$590)	(\$589)	(\$588)	(\$587)	(\$5,018)	(\$11,561)
Operating Income	(\$864)	(\$867)	(\$869)	(\$872)	(\$874)	(\$877)	(\$878)	(\$880)	(\$881)	(\$882)	(\$883)	\$3,547	(\$6,080)
Increase in Operating Income Required	\$4,833	\$4,793	\$4,757	\$4,725	\$4,695	\$4,670	\$4,647	\$4,628	\$4,611	\$4,599	\$4,589	\$59,188	\$110,735
Gross Revenue Conversion Factor 4/	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582	1.26582
Revenue Increase	\$6,118	\$6,067	\$6,022	\$5,981	\$5,943	\$5,911	\$5,882	\$5,858	\$5,837	\$5,822	\$5,809	\$74,921	\$140,171
Gross Receipts Tax (.0015)	9	9	9	9	9	9	9	9	9	9	9	112	211
Total Revenue Requirement	\$6,127	\$6,076	\$6,031	\$5,990	\$5,952	\$5,920	\$5,891	\$5,867	\$5,846	\$5,831	\$5,818	\$75,033	\$140,382

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1/ Monthly Deferred Income Tax activity is 1/12 of projected 2021 DIT activity. Monthly activity prorated based on DIT proration methodology

	Leola	Dickinson	Greenway
Estimated 2021 activity:	13,192	126,046	1,436,453
SD Factor #15:	5.382147%	5.382147%	5.382147%
SD projected activity:	710	6,784	77,312
Monthly:	59	565	6,443

January	February	March	April	May	June	July	August	September	October	November	December
91.78%	84.11%	75.62%	67.40%	58.90%	50.68%	42.19%	33.70%	25.48%	16.99%	8.77%	0.27%
6,486	5,944	5,344	4,763	4,162	3,582	2,982	2,382	1,801	1,201	620	19

2/ Authorized ROR per Docket No. EL15-024. 7.216%

3/ Property Tax:

	Transmission Assets
Proejcted 2021 Property Tax:	86,077
SD Factor. #15:	5.382147%
South Dakota:	4,633
Monthly:	386

4/ Income Taxes:

	Tax Rate	21.0000% (Federal Tax Rate = 21%, SD State Tax Rate = 0%)
	1- tax rate	79.0000%
Gross Revenue Conversion Factor		1.26582

**Montana-Dakota Utilities Co.
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Transmission Rider
Greenway Substation and Lines
Projected 2021**

5/ Plant in Service, estimated in service date December 2021:

Greenway Substation:	3,167,511
Replace 41.6kV Line:	<u>6,649,904</u>
Total:	9,817,415

6/ No depreciation expense for the 2021 period. Depreciation expense will be calculated beginning January of 2022