

Montana-Dakota Utilities Co.
Electric Utility - South Dakota
Infrastructure Rider
Revenue Requirement - Thunder Spirit Wind
Projected 2019

	Projected												Average
	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	June 2019	July 2019	Aug 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Balance
Rate Base													
Plant Balance													
Thunder Spirit	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	\$10,403,495	
Thunder Spirit Expansion	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	4,132,760	
Total Plant Balance	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255	14,536,255
Accumulated Depreciation													
Thunder Spirit	\$1,257,376	\$1,291,275	\$1,325,174	\$1,359,073	\$1,392,972	\$1,426,871	\$1,460,770	\$1,494,669	\$1,528,568	\$1,562,467	\$1,596,366	\$1,630,265	
Thunder Spirit Expansion	40,681	54,283	67,885	81,487	95,089	108,691	122,293	135,895	149,497	163,099	176,701	190,303	
Total Accumulated Reserve	1,298,057	1,345,558	1,393,059	1,440,560	1,488,061	1,535,562	1,583,063	1,630,564	1,678,065	1,725,566	1,773,067	1,820,568	
Net Plant in Service	\$13,238,198	\$13,190,697	\$13,143,196	\$13,095,695	\$13,048,194	\$13,000,693	\$12,953,192	\$12,905,691	\$12,858,190	\$12,810,689	\$12,763,188	\$12,715,687	12,976,943
Accum Def Income Taxes 1/	\$2,318,722	\$2,347,153	\$2,372,714	\$2,395,497	\$2,415,406	\$2,432,537	\$2,446,798	\$2,458,189	\$2,466,802	\$2,472,545	\$2,475,509	\$2,475,600	
PTC Carryforward 2/	390,470	390,470	390,470	292,852	292,852	195,234	195,234	195,234	97,616	97,616	97,616	0	
Total Rate Base	\$11,309,946	\$11,234,014	\$11,160,952	\$10,993,050	\$10,925,640	\$10,763,390	\$10,701,628	\$10,642,736	\$10,489,004	\$10,435,760	\$10,385,295	\$10,240,087	\$10,773,459
Return on Rate Base 3/	\$68,010	\$67,554	\$67,115	\$66,105	\$65,700	\$64,724	\$64,352	\$63,998	\$63,074	\$62,754	\$62,450	\$61,577	\$777,413
Expenses													
Operating Expenses													Total
O&M 4/	\$11,383	\$11,383	\$11,383	\$11,383	\$11,383	\$11,383	\$11,383	\$11,383	\$11,383	\$11,383	\$11,383	\$44,238	\$169,451
Insurance - Property	932	932	932	932	932	932	932	932	932	932	932	930	11,182
Depreciation - Thunder Spirit	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	406,788
Depreciation - Thunder Spirit Expansion	13,602	13,602	13,602	13,602	13,602	13,602	13,602	13,602	13,602	13,602	13,602	13,602	163,224
Payroll Taxes	38	38	38	38	38	38	38	38	38	38	38	37	455
Taxes Other Than Income 5/	2,474	2,474	2,474	2,474	2,474	2,474	2,474	2,474	2,474	2,474	2,474	2,476	29,690
Total Expenses	\$62,328	\$62,328	\$62,328	\$62,328	\$62,328	\$62,328	\$62,328	\$62,328	\$62,328	\$62,328	\$62,328	\$95,182	\$780,790
Income before Taxes	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$62,328)	(\$95,182)	
Interest Expense	24,307	24,144	23,987	23,626	23,481	23,132	23,000	22,873	22,543	22,428	22,320	22,008	277,849
Taxable income	(\$86,635)	(\$86,472)	(\$86,315)	(\$85,954)	(\$85,809)	(\$85,460)	(\$85,328)	(\$85,201)	(\$84,871)	(\$84,756)	(\$84,648)	(\$117,190)	(\$1,058,639)
Income Taxes 6/	(\$18,193)	(\$18,159)	(\$18,126)	(\$18,050)	(\$18,020)	(\$17,947)	(\$17,919)	(\$17,892)	(\$17,823)	(\$17,799)	(\$17,776)	(\$24,610)	(\$222,314)
Less: Production Tax Credit 7/	81,134	52,811	58,147	48,046	56,330	49,887	50,075	39,718	49,167	77,962	65,997	85,250	\$714,524
Net Income Taxes	(\$99,327)	(\$70,970)	(\$76,273)	(\$66,096)	(\$74,350)	(\$67,834)	(\$67,994)	(\$57,610)	(\$66,990)	(\$95,761)	(\$83,773)	(\$109,860)	(\$936,838)
Operating Income	\$36,999	\$8,642	\$13,945	\$3,768	\$12,022	\$5,506	\$5,666	(\$4,718)	\$4,662	\$33,433	\$21,445	\$14,678	\$156,048
Increase in Operating Income Required	\$31,011	\$58,912	\$53,170	\$62,337	\$53,678	\$59,218	\$58,686	\$68,716	\$58,412	\$29,321	\$41,005	\$46,899	\$621,365
Gross Revenue Conversion Factor 6/	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	\$39,254	\$74,572	\$67,304	\$78,907	\$67,947	\$74,959	\$74,286	\$86,982	\$73,939	\$37,115	\$51,905	\$59,366	\$786,536
Gross Receipts Tax (.0015)	59	112	101	118	102	112	111	130	111	56	78	89	1,179
Total Revenue Requirement	\$39,313	\$74,684	\$67,405	\$79,025	\$68,049	\$75,071	\$74,397	\$87,112	\$74,050	\$37,171	\$51,983	\$59,455	\$787,715

Montana-Dakota Utilities Co.
Electric Utility - South Dakota
Infrastructure Rider
Revenue Requirement - Thunder Spirit Wind
Projected 2019

1/ Monthly Deferred Income Tax activity is 1/12 of projected 2019 DIT activity. Monthly activity prorated based on DIT proration methodology.

DIT activity 2018: 8,148,284
SD Factor #271: 4.978025%
SD projected activity: 405,624
Monthly: 33,802

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%
31,023	28,431	25,561	22,783	19,909	17,131	14,261	11,391	8,613	5,743	2,964	91

2/ Production Tax Credit (PTC) prior year carryforward of 390,470 is fully utilized during year 2019. Utilization of prior credits is quarterly in April, June, September, and December. Current year PTC's assumed to be fully utilized.

Utilization of prior year carryforward:
Quarterly carryforward utilized: 390,470
4
Quarterly SD carryforward utilized: (97,618)

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

4/ Projected O&M:

Budgeted O&M Labor: 91,949
Budgeted O&M Maintenance: 2,586,546
Budgeted O&M Other Costs: 65,465
2,743,960
SD Factor #271: 4.978025%
Budgeted SD O&M: 136,595
Monthly Budgeted O&M: 11,383

Budgeted Annual Easement: 660,000
SD Factor #271: 4.978025%
Budgeted SD O&M: 32,855 Added to December monthly balance

5/ Thunder Spirit Projected Generation Taxes

Rated Capacity:	155,500	2018 Generation:	404,568,799
Capacity Tax Rate:	2.5	Generation Tax Rate:	0.0005
Capacity Tax:	388,750	Generation Tax:	202,284

Capacity and Generation Tax: 591,034
Thunder Spirit Property Taxes 2018: 5,381
596,415
SD Factor #271: 4.978025%
South Dakota: 29,690
Monthly: 2,474

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

7/ Production Tax Credit.

	January	February	March	April	May	June	July	August	September	October	November	December
Thunder Spirit:	67,910,112	44,203,164	48,670,128	40,215,336	47,148,858	41,755,746	41,913,552	33,244,266	41,153,034	65,254,962	55,240,338	71,355,174
Projected PTC (rate \$.024/Kwh):	1,629,843	1,060,876	1,168,083	965,168	1,131,573	1,002,138	1,005,925	797,862	987,673	1,566,119	1,325,768	1,712,524
Projected SD PTC (Factor #271):	81,134	52,811	58,147	48,046	56,330	49,887	50,075	39,718	49,167	77,962	65,997	85,250