

**Montana-Dakota Utilities Co.  
Electric Utility - South Dakota  
Transmission Rider  
Revenue Requirement  
Projected 2020**

	Projected												Average Balance
	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	June 2020	July 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020	Dec 2020	
<b>Rate Base</b>													
<b>Plant Balance:</b>													
Leola 7/	\$66,225	\$66,225	\$66,225	\$66,225	\$66,225	\$711,010	\$711,010	\$711,010	\$711,010	\$711,010	\$711,010	\$711,010	\$711,010
Dickinson 5/	0	363,231	363,231	363,231	363,231	363,231	363,231	363,231	511,837	511,837	511,837	511,837	511,837
<b>Total Plant Balance</b>	<b>\$66,225</b>	<b>\$429,456</b>	<b>\$429,456</b>	<b>\$429,456</b>	<b>\$429,456</b>	<b>\$1,074,241</b>	<b>\$1,074,241</b>	<b>\$1,074,241</b>	<b>\$1,222,847</b>	<b>\$1,222,847</b>	<b>\$1,222,847</b>	<b>\$1,222,847</b>	<b>\$824,847</b>
<b>Accumulated Reserve:</b>													
Leola	\$263	\$350	\$437	\$524	\$611	\$698	\$1,828	\$2,958	\$4,088	\$5,218	\$6,348	\$7,478	
Dickinson	0	0	563	1,126	1,689	2,252	2,815	3,378	3,941	4,756	5,571	6,386	
<b>Total Accumulated Reserve</b>	<b>\$263</b>	<b>\$350</b>	<b>\$1,000</b>	<b>\$1,650</b>	<b>\$2,300</b>	<b>\$2,950</b>	<b>\$4,643</b>	<b>\$6,336</b>	<b>\$8,029</b>	<b>\$9,974</b>	<b>\$11,919</b>	<b>\$13,864</b>	<b>\$5,273</b>
<b>Net Plant in Service</b>	<b>\$65,962</b>	<b>\$429,106</b>	<b>\$428,456</b>	<b>\$427,806</b>	<b>\$427,156</b>	<b>\$1,071,291</b>	<b>\$1,069,598</b>	<b>\$1,067,905</b>	<b>\$1,214,818</b>	<b>\$1,212,873</b>	<b>\$1,210,928</b>	<b>\$1,208,983</b>	<b>\$819,574</b>
Accum Def Income Taxes 1/	\$1,033	\$1,540	\$1,996	\$2,402	\$2,757	\$3,063	\$3,317	\$3,520	\$3,674	\$3,776	\$3,829	\$3,831	
<b>Total Plant in Service</b>	<b>\$64,929</b>	<b>\$427,566</b>	<b>\$426,460</b>	<b>\$425,404</b>	<b>\$424,399</b>	<b>\$1,068,228</b>	<b>\$1,066,281</b>	<b>\$1,064,385</b>	<b>\$1,211,144</b>	<b>\$1,209,097</b>	<b>\$1,207,099</b>	<b>\$1,205,152</b>	<b>\$816,679</b>
<b>Return on Rate Base 2/</b>	<b>\$390</b>	<b>\$2,571</b>	<b>\$2,564</b>	<b>\$2,558</b>	<b>\$2,552</b>	<b>\$6,424</b>	<b>\$6,412</b>	<b>\$6,401</b>	<b>\$7,283</b>	<b>\$7,271</b>	<b>\$7,259</b>	<b>\$7,247</b>	<b>\$58,932</b>
<b>Expenses</b>													
Operating Expenses													Total
<b>Depreciation:</b>													
Leola 8/	\$87	\$87	\$87	\$87	\$87	\$87	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$7,302
Dickinson 6/	0	0	563	563	563	563	563	563	563	815	815	815	6,386
<b>Total Depreciation</b>	<b>\$87</b>	<b>\$87</b>	<b>\$650</b>	<b>\$650</b>	<b>\$650</b>	<b>\$650</b>	<b>\$1,693</b>	<b>\$1,693</b>	<b>\$1,693</b>	<b>\$1,945</b>	<b>\$1,945</b>	<b>\$1,945</b>	<b>\$13,688</b>
Property Tax 3/	\$371	\$371	\$371	\$371	\$371	\$371	\$371	\$371	\$371	\$371	\$371	\$371	\$366
<b>Total Expenses</b>	<b>\$458</b>	<b>\$458</b>	<b>\$1,021</b>	<b>\$1,021</b>	<b>\$1,021</b>	<b>\$1,021</b>	<b>\$2,064</b>	<b>\$2,064</b>	<b>\$2,064</b>	<b>\$2,316</b>	<b>\$2,316</b>	<b>\$2,311</b>	<b>\$18,135</b>
Income before Taxes	(\$458)	(\$458)	(\$1,021)	(\$1,021)	(\$1,021)	(\$1,021)	(\$2,064)	(\$2,064)	(\$2,064)	(\$2,316)	(\$2,316)	(\$2,311)	
Interest Expense	140	919	917	914	912	2,296	2,292	2,288	2,603	2,599	2,594	2,590	21,064
Taxable income	(\$598)	(\$1,377)	(\$1,938)	(\$1,935)	(\$1,933)	(\$3,317)	(\$4,356)	(\$4,352)	(\$4,667)	(\$4,915)	(\$4,910)	(\$4,901)	(\$39,199)
Income Taxes 4/	(\$126)	(\$289)	(\$407)	(\$406)	(\$406)	(\$697)	(\$915)	(\$914)	(\$980)	(\$1,032)	(\$1,031)	(\$1,029)	(\$8,232)
Operating Income	(\$332)	(\$169)	(\$614)	(\$615)	(\$615)	(\$324)	(\$1,149)	(\$1,150)	(\$1,084)	(\$1,284)	(\$1,285)	(\$1,282)	(\$9,903)
Increase in Operating Income Required	\$722	\$2,740	\$3,178	\$3,173	\$3,167	\$6,748	\$7,561	\$7,551	\$8,367	\$8,555	\$8,544	\$8,529	\$68,835
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	\$914	\$3,468	\$4,023	\$4,016	\$4,009	\$8,542	\$9,571	\$9,558	\$10,591	\$10,829	\$10,815	\$10,796	\$87,132
Gross Receipts Tax (.0015)	1	5	6	6	6	13	14	14	16	16	16	16	129
<b>Total Revenue Requirement</b>	<b>\$915</b>	<b>\$3,473</b>	<b>\$4,029</b>	<b>\$4,022</b>	<b>\$4,015</b>	<b>\$8,555</b>	<b>\$9,585</b>	<b>\$9,572</b>	<b>\$10,607</b>	<b>\$10,845</b>	<b>\$10,831</b>	<b>\$10,812</b>	<b>\$87,261</b>

Montana-Dakota Utilities Co.  
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1/ Monthly Deferred Income Tax activity is 1/12 of projected 2020 DIT activity. Monthly activity prorated based on DIT proration methodology.

	Leola		Dickinson
DIT activity 2020:	90,151		53,302
SD Factor #15:	5.044876%		5.044876%
SD projected activity:	4,548		2,689
Monthly:	379		224

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%
553	507	456	406	355	306	254	203	154	102	53	2

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

3/ Property Tax:

	Leola
Year end Plant (total in SD):	8,489,587
SD Effective Rate (Ad Valorem - Transmission):	0.41%
Property Tax:	34,807
Year end Plant (total in ND):	5,542,749
ND Effective Rate (Ad Valorem - Transmission):	0.34%
Property Tax:	18,845
	Dickinson
Year end Plant (total in ND):	10,145,674
North Dakota Effective Rate (Ad Valorem - Transmission):	0.34%
Property Tax:	34,495
Total Property Tax:	88,147
SD Allocation:	5.044876%
Annual Property Tax:	4,447
Monthly Tax:	371

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.  
Electric Utility - South Dakota  
Transmission Rider  
Revenue Requirement - Dickinson Breaker & Lines  
Projected 2020**

South Dakota Factor #15: 5.044876%

5/ Phase 1 Plant in Service, in service date February 2020:

115KV Breakers (Loop):	\$2,700,000
SD Demand Allocation (15):	5.044876%
Total:	\$136,212

115kV TL174-1 Lines:	\$4,500,000
SD Demand Allocation (15):	5.044876%
Total:	\$227,019

Phase 2 Plant in Service, assumed in service date September 2020:

115kV TL163-1 Lines:	\$2,945,674
SD Demand Allocation (15):	5.044876%
Total:	\$148,606

Grand Total: \$511,837

6/ Phase 1 Depreciation: (Depreciation booked on prior month plant balance, starts booking in March)

Plant (SD Alloc.):	\$136,212
Depreciation Rate:	1.58%
Annual Depreciation:	\$2,152
Monthly:	\$179

Plant (SD Alloc.):	\$227,019
Depreciation Rate:	2.03%
Annual Depreciation:	\$4,608
Monthly:	\$384

Phase 2 Depreciation: (Depreciation booked on prior month plant balance, starts booking in October)

Plant (SD Alloc.):	\$148,606
Depreciation Rate:	2.03%
Annual Depreciation:	\$3,017
Monthly:	\$252

Grand Total: \$815

**Montana-Dakota Utilities Co.  
Electric Utility - South Dakota  
Transmission Rider  
Revenue Requirement - Leola Substation and Lines  
Projected 2020**

South Dakota Factor #15: 5.044876%

7/ Phase 1 Plant in Service, in service date October 2019:

Install 115kv Ring Bus:	\$1,251,341
SD Demand Allocation (15):	5.292291%
Total:	\$66,225

Phase 2 Plant in Service, assumed in service date June 2020:

Install ICON Equipment - Leola Sub:	\$24,881
Leola Substation:	2,508,649
SD Demand Allocation (15):	5.044876%
Total:	\$127,813

Lines:	\$10,247,464
SD Demand Allocation (15):	5.044876%
Total:	\$516,972

Grand Total: \$711,010

8/ Phase 1 Depreciation: (Depreciation booked on prior month plant balance, starts booking in November)

Plant (SD Alloc.):	\$66,225
Depreciation Rate:	1.58%
Annual Depreciation:	\$1,046
Monthly:	\$87

Phase 2 Depreciation: (Depreciation booked on prior month plant balance, starts booking in July)

Plant (SD Alloc.):	\$127,813
Depreciation Rate:	1.58%
Annual Depreciation:	\$2,019
Monthly:	\$168

Plant (SD Alloc.):	\$516,972
Depreciation Rate:	2.03%
Annual Depreciation:	\$10,495
Monthly:	\$875

Grand Total: \$1,130