

**MONTANA-DAKOTA UTILITIES CO.
ELECTRIC UTILITY - SOUTH DAKOTA
AD VALOREM TAXES
TWELVE MONTHS ENDING DECEMBER 31, 2022
ADJUSTMENT NO. 24**

Function	Effective Tax Rate	Pro Forma		Per Books Ad Valorem Tax	Pro Forma Adjustment
		Plant Balance 1/	Ad Valorem Tax		
Production	0.6399%	\$23,489,027	\$150,306	\$130,703	\$19,603
Transmission	0.7062%	45,701,323	322,743	279,912	42,831
Distribution	0.6915%	22,234,486	153,751	147,353	6,398
General	1.9627%	2,086,270	40,947	39,325	1,622
Common	0.5958%	2,514,819	14,983	14,052	931
Intangible	0.0000%	<u>2,665,344</u> 5/	<u>0</u>	<u>0</u>	<u>0</u>
Total Ad Valorem Taxes		<u>\$98,691,269</u>	<u>\$682,730</u>	<u>\$611,345</u>	<u>\$71,385</u>

1/ Pro Forma plant in service excluding plant excluded from Ad Valorem taxes See below:

	<u>Balance</u>
Pro Forma plant in service:	\$120,119,798
Pro Forma plant in service excluded:	
Heskett:	(\$421,529) 2/
Coyote:	(7,011,892) 2/
Thunder Spirit I & II:	(13,474,400) 3/
Acquisition Adjustments:	<u>(520,708) 4/</u>
Total Excludable plant:	(\$21,428,529)
Net pro forma plant in service:	\$98,691,269

2/ Heskett and Coyote steam production assets are taxed through North Dakota Coal Conversion tax.
See Rules 20:10:13:54, Statement D, page 2.

3/ Thunder Spirit assets are taxed through North Dakota Wind Generation tax.
See Rules 20:10:13:54, Statement D, page 4.

4/ Acquisition adjustments are not taxed for ad valorem tax.

5/ Includes General and Common Intangible.

**MONTANA-DAKOTA UTILITIES CO.
 ELECTRIC UTILITY - SOUTH DAKOTA
 PAYROLL TAXES
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 25**

	<u>Per Books</u>	<u>Pro Forma 1/</u>	<u>Pro Forma Adjustment</u>
Payroll Taxes	<u>\$157,350</u>	<u>\$172,325</u>	<u>\$14,975</u>

1/ Calculated using 2022 ratio of payroll taxes to labor and pro forma labor expense. See below:

	<u>2022</u>
Per books expense:	\$157,350
Per books labor expense:	2,324,991
% Payroll Tax to labor:	6.77%
Pro Forma labor expense:	2,545,428
Pro Forma payroll tax:	<u>\$172,325</u>

**MONTANA-DAKOTA UTILITIES CO.
ELECTRIC UTILITY - SOUTH DAKOTA
ADJUSTMENT TO SOUTH DAKOTA GROSS RECEIPTS TAX
ADJUSTMENT NO. 26**

<u>Pro Forma Revenue</u>	<u>Total South Dakota</u>
Sales Revenue 1/	\$15,664,450
Miscellaneous Service Revenue 2/	7,815
Rent from Electric Property 2/	353,130
Other Operating Revenue 2/	689,121
Total Gross Receipts	<u>\$16,714,516</u>
Gross Receipts Tax @ 0.15% 3/	\$25,072
Per Books Gross Receipts Tax	22,792
Pro Forma Adjustment	<u><u>\$2,280</u></u>

1/ See Rule 20.10.13.85, Statement I, page 1.

2/ Adjusted to South Dakota Situs revenue for year ended December 31, 2022 in Montana-Dakota's Gross Receipts Tax Fund Assessment filing dated March 21, 2023.

3/ See South Dakota Public Utilities Commission Order AA23-001.

**MONTANA-DAKOTA UTILITIES CO.
ELECTRIC UTILITY - SOUTH DAKOTA
ADJUSTMENT TO ELECTRIC PRODUCTION TAXES
ADJUSTMENT NO. 27**

	<u>Per Books</u>	<u>Pro Forma</u>	<u>Pro Forma Adjustment</u>
Montana Electric Taxes	\$6,244	\$6,499	\$255
North Dakota Coal Conversion Tax	3,992	10,397	6,405
North Dakota Wind Generation Tax	<u>31,980</u>	<u>32,493</u>	<u>513</u>
Total Production Taxes	<u>\$42,216</u>	<u>\$49,389</u>	<u>\$7,173</u>