

**Montana-Dakota Utilities Co.
Electric Utility - South Dakota
Infrastructure Rider
Revenue Requirement
2023 Actual**

	Actual												Average Balance
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	June 2023	July 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	
Rate Base													
<u>Plant Balance:</u>													
Thunder Spirit	\$13,764,950	\$13,769,656	\$13,772,386	\$13,768,210	\$13,767,932	\$13,767,823	\$13,767,823	\$13,767,823	\$13,767,823	\$13,763,985	\$13,766,440	\$13,767,050	
Infrastructure Projects	3,614,524	3,615,934	3,615,934	3,616,042	3,616,042	3,638,763	3,638,804	3,638,948	3,638,948	3,638,948	3,639,072	3,638,468	
Total Plant Balance	\$17,379,474	\$17,385,590	\$17,388,320	\$17,384,252	\$17,383,974	\$17,406,586	\$17,406,627	\$17,406,771	\$17,406,771	\$17,402,933	\$17,405,512	\$17,405,518	\$17,396,861
<u>Accumulated Depreciation:</u>													
Thunder Spirit	\$3,024,542	\$3,069,694	\$3,114,455	\$3,155,421	\$3,200,420	\$3,245,553	\$3,290,688	\$3,335,821	\$3,380,954	\$3,423,214	\$3,468,334	\$3,513,406	
Infrastructure Projects	186,798	191,688	196,580	201,471	206,363	211,255	216,185	221,115	226,044	230,976	235,906	240,837	
Total Accumulated Reserve	\$3,211,340	\$3,261,382	\$3,311,035	\$3,356,892	\$3,406,783	\$3,456,808	\$3,506,873	\$3,556,936	\$3,606,998	\$3,654,190	\$3,704,240	\$3,754,243	\$3,482,310
Net Plant in Service	\$14,168,134	\$14,124,208	\$14,077,285	\$14,027,360	\$13,977,191	\$13,949,778	\$13,899,754	\$13,849,835	\$13,799,773	\$13,748,743	\$13,701,272	\$13,651,275	\$13,914,551
<u>Additions:</u>													
Deferred Tax on Invest. Tax Credit	\$37,326	\$38,538	\$39,750	\$40,962	\$42,174	\$43,386	\$44,598	\$45,810	\$47,022	\$48,234	\$54,584	\$60,141	
<u>Reductions:</u>													
Accum DIT - Thunder Spirit	\$2,600,125	\$2,594,970	\$2,590,335	\$2,586,204	\$2,582,594	\$2,579,488	\$2,576,902	\$2,574,837	\$2,573,275	\$2,572,234	\$2,571,696	\$2,571,679	
Accum DIT - Infrastructure Proj.	125,359	127,649	129,708	131,543	133,147	134,527	135,676	136,594	137,288	137,751	137,990	137,997	
Accumulated Investment Tax Credit	152,946	157,912	162,878	167,844	172,810	177,776	182,741	187,707	192,673	197,639	223,659	246,431	
Total Rate Base	\$11,327,030	\$11,282,215	\$11,234,114	\$11,182,731	\$11,130,814	\$11,101,373	\$11,049,033	\$10,996,507	\$10,943,559	\$10,889,353	\$10,822,511	\$10,755,309	\$11,059,546
Return on Rate Base 1/	\$68,113	\$67,844	\$67,554	\$67,245	\$66,933	\$66,756	\$66,442	\$66,126	\$65,807	\$65,481	\$65,079	\$64,675	\$798,055
Expenses													
Operating Expenses													Total
O&M	\$15,740	\$19,492	\$18,582	\$17,207	\$18,888	\$17,674	\$17,413	\$17,463	\$17,510	\$20,406	\$17,798	\$57,060	\$255,233
Commission Expense	0	0	0	0	1,770	0	412	0	0	0	0	0	2,182
Insurance - Property	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,212	14,555
Depreciation - Thunder Spirit	45,123	45,124	45,139	45,149	45,135	45,134	45,133	45,133	45,133	45,133	45,120	45,126	541,582
Depreciation - Infrastructure Projects	4,886	4,889	4,891	4,891	4,892	4,892	4,930	4,930	4,930	4,930	4,930	4,931	58,922
Payroll Taxes - Thunder Spirit	50	42	90	27	45	50	37	45	42	51	55	35	569
Taxes Other Than Income	3,514	3,514	3,514	3,514	3,514	3,514	3,514	3,514	3,514	3,514	3,514	3,522	42,176
Total Expenses	\$70,526	\$74,274	\$73,429	\$72,001	\$75,457	\$72,477	\$72,652	\$72,298	\$72,342	\$75,247	\$72,630	\$111,886	\$915,219
Income before Taxes	(\$70,526)	(\$74,274)	(\$73,429)	(\$72,001)	(\$75,457)	(\$72,477)	(\$72,652)	(\$72,298)	(\$72,342)	(\$75,247)	(\$72,630)	(\$111,886)	
Interest Expense	24,344	24,247	24,144	24,034	23,922	23,859	23,746	23,633	23,520	23,403	23,259	23,115	285,226
AFUDC Equity Add Back	715	715	715	715	715	715	715	715	715	715	715	715	8,580
Taxable income	(\$94,155)	(\$97,806)	(\$96,858)	(\$95,320)	(\$98,664)	(\$95,621)	(\$95,683)	(\$95,216)	(\$95,147)	(\$97,935)	(\$95,174)	(\$134,286)	(\$1,191,865)
Income Taxes 2/	(\$19,773)	(\$20,539)	(\$20,340)	(\$20,017)	(\$20,719)	(\$20,080)	(\$20,093)	(\$19,995)	(\$19,981)	(\$20,566)	(\$19,987)	(\$28,200)	(\$250,290)
Less: Production Tax Credit	56,606	75,066	48,053	67,418	43,574	32,587	38,727	44,140	40,706	63,471	64,531	71,148	646,027
ARAM Amortization	3,031	3,031	3,031	3,031	3,031	3,031	3,031	3,031	3,031	3,031	3,031	3,036	36,377
Net Income Taxes	(\$79,410)	(\$98,636)	(\$71,424)	(\$90,466)	(\$67,324)	(\$55,698)	(\$61,851)	(\$67,166)	(\$63,718)	(\$87,068)	(\$87,549)	(\$102,384)	(\$932,694)
Operating Income	\$8,884	\$24,362	(\$2,005)	\$18,465	(\$8,133)	(\$16,779)	(\$10,801)	(\$5,132)	(\$8,624)	\$11,821	\$14,919	(\$9,502)	\$17,475
Increase in Operating Income Required	\$59,229	\$43,482	\$69,559	\$48,780	\$75,066	\$83,535	\$77,243	\$71,258	\$74,431	\$53,660	\$50,160	\$74,177	\$780,580
Gross Revenue Conversion Factor 2/	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	\$74,973	\$55,040	\$88,049	\$61,747	\$95,020	\$105,740	\$97,776	\$90,200	\$94,216	\$67,924	\$63,494	\$93,895	\$988,074
Gross Receipts Tax (.0015)	112	83	132	93	143	159	147	135	141	102	95	141	1,483
Total Revenue Requirement	\$75,085	\$55,123	\$88,181	\$61,840	\$95,163	\$105,899	\$97,923	\$90,335	\$94,357	\$68,026	\$63,589	\$94,036	\$989,557

1/ Authorized ROR per Docket No. EL15-024.

7.216%

2/ 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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Infrastructure Rider
Revenue Requirement
2024 Projected**

	Projected												Average Balance
	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024	July 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024	Dec 2024	
Rate Base													
<u>Plant Balance:</u>													
Thunder Spirit	\$9,740,955	\$9,740,955											
Thunder Spirit Expansion	4,026,095	4,026,095											
Bowdle Substation / Lines	2,943,886	2,943,886											
Sidney Transmission Line	38,085	38,085											
Mandan Substation	425,547	425,547											
Lewis & Clark Substation	230,950	230,950											
Total Plant Balance	\$17,405,518	\$17,405,518	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900,920
<u>Accumulated Depreciation:</u>													
Thunder Spirit	\$2,724,231	\$2,755,937											
Thunder Spirit Expansion	834,301	847,721											
Bowdle Substation / Lines	221,435	225,397											
Sidney Transmission Line	2,135	2,184											
Mandan Substation	13,781	14,396											
Lewis & Clark Substation	8,417	8,722											
Total Accumulated Reserve	\$3,804,300	\$3,854,357	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$638,221
Net Plant in Service	\$13,601,218	\$13,551,161	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,262,698
<u>Additions:</u>													
Deferred Tax on Invest. Tax Credit 1/	\$60,750	\$61,359											
<u>Reductions:</u>													
Accum DIT - Thunder Spirit 2/	\$2,489,842	\$2,480,360											
Accum DIT - Infrastructure Proj. 2/	157,805	159,880											
Accumulated Investment Tax Credit 1/	249,330	252,229											
Total Rate Base	\$10,764,991	\$10,720,051	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,790,420
Return on Rate Base 3/	\$64,733	\$64,463	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$129,196
Expenses													
Operating Expenses												Total	
O&M 4/	\$18,057	\$18,057											\$36,114
Commission Expense	0	2,182											2,182
Insurance - Property	1,213	1,213											2,426
Total Operating Expenses	\$19,270	\$21,452	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,722
Depreciation - Thunder Spirit	\$31,706	\$31,706											\$63,412
Depreciation - Thunder Spirit Expansion	13,420	13,420											26,840
Depreciation - Bowdle Substation / Lines	3,962	3,962											7,924
Depreciation - Sidney Transmission Line	49	49											98
Depreciation - Mandan Substation	615	615											1,230
Depreciation - Lewis & Clark Substation	305	305											610
Payroll Taxes - Thunder Spirit	47	47											94
Taxes Other Than Income 5/	3,285	3,285											6,570
Total Expenses	\$72,659	\$74,841	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$147,500
Income before Taxes	(\$72,659)	(\$74,841)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$147,500)
Interest Expense	23,136	23,039	0	0	0	0	0	0	0	0	0	0	46,175
AFUDC Equity Add Back	761	761	0	0	0	0	0	0	0	0	0	0	1,522
Taxable income	(\$95,034)	(\$97,119)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$192,153)
Income Taxes 6/	(\$19,957)	(\$20,395)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$40,352)
Less: Production Tax Credit 7/	48,937	61,844	0	0	0	0	0	0	0	0	0	0	110,781
ARAM Amortization	3,243	3,243	0	0	0	0	0	0	0	0	0	0	6,486
Net Income Taxes	(\$72,137)	(\$85,482)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$157,619)
Operating Income	(\$522)	\$10,641	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,119
Increase in Operating Income Required	\$65,255	\$53,822	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$119,077
Gross Revenue Conversion Factor 6/	1.26582	1.26582											
Revenue Increase	\$82,601	\$68,129	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,730
Gross Receipts Tax (.0015)	124	102	0	0	0	0	0	0	0	0	0	0	226
Total Revenue Requirement	\$82,725	\$68,231	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,956

**Montana-Dakota Utilities Co.
Electric Utility - South Dakota
Infrastructure Rider
Revenue Requirement
2024 Projected**

2024 Footnotes:

Factor #15 - Int. System 12 Month Peak Demand: 4.687323%
Factor #271 - Integrated Peak and Energy: 4.664659%

1/ Investment tax credit: Thunder Spirit

	Investment Tax Credit		Deferred Tax
Estimated 2024 Activity:	\$745,755	Estimated 2024 Activity:	\$156,609
SD Factor #271:	4.664659%	SD Factor #271:	4.664659%
SD projected activity:	34,787	SD projected activity:	7,305
Monthly:	\$2,899	Monthly:	\$609

2/ Monthly Deferred Income Tax activity is 1/12 of projected 2024 DIT activity. Monthly activity prorated based on DIT proration methodology.

	Thunder Spirit		Projects
2024 DIT activity:	(\$2,899,904)	2024 DIT activity:	\$631,640
SD Factor #271:	4.664659%	SD Factor #15:	4.687323%
SD DIT Activity:	(\$135,271)	SD DIT Activity:	\$29,607
Monthly Activity:	(\$11,273)	Monthly Activity:	\$2,467

	January	February
Thunder Spirit:	91.78%	84.11%
Thunder Spirit:	(10,346)	(9,482)
Infrastructure Projects:	2,264	2,075

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

4/ Monthly O&M reflects 1/12th of 2023 O&M exclusive of the annual easement costs.

5/ Taxes Other Than Income:

Thunder Spirit:

Rated Capacity:	155,500		
Capacity Tax Rate:	\$2.50	Capacity and Generation Tax:	\$632,935
Capacity Tax:	\$388,750	Thunder Spirit Est. Property Taxes:	8,262
		Total:	\$641,197
2023 Generation:	488,369,000	SD Factor. #271:	4.664659%
Generation Tax Rate:	\$0.0005	South Dakota:	\$29,910
Generation Tax:	\$244,185	Monthly:	\$2,493

Infrastructure Projects:

Estimated 2024 Property Tax:	\$181,048
SD Fac. #15:	4.687323%
Estimated SD Property Tax:	\$8,486
Direct SD Property Tax:	1,013
Total South Dakota Property Tax:	\$9,499
Monthly:	\$792

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
Thunder Spirit:	37,468,000	47,350,000
Projected PTC (rate \$.028/Kwh):	\$1,049,104	\$1,325,800
Projected SD PTC (Factor #271):	\$48,937	\$61,844