

MONTANA-DAKOTA UTILITIES CO.
DEFERRED ACCOUNTING APPLICATION
GLEN ULLIN REVENUE REQUIREMENT COMPARISON

Description \ Year	(1/2 year)										Total	
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>		<u>11</u>
Continued Operations to June 2029												
Accelerated Depreciation (NBV)				\$2,915,217								
EADIT				(930,668)								
Deferred Reg. Asset				\$1,984,548	\$1,842,795	\$1,559,288	\$1,275,781	\$992,274	\$708,767	\$425,260	\$141,753	-
ADIT (24.4%)				(484,230)	(449,642)	(380,466)	(311,291)	(242,115)	(172,939)	(103,764)	(34,588)	
Rate Base				\$1,500,318	\$1,393,153	\$1,178,822	\$964,490	\$750,159	\$535,828	\$321,497	\$107,166	
Pre-tax ROR				8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	
Return on Rate Base				\$134,521	\$124,912	\$105,695	\$86,477	\$67,260	\$48,043	\$28,826	\$9,609	
7 year Amortization				\$141,753	\$283,507	\$283,507	\$283,507	\$283,507	\$283,507	\$283,507	\$141,753	
Incremental Decommissioning Costs												
Total Deferred Costs				\$276,274	\$408,419	\$389,202	\$369,984	\$350,767	\$331,550	\$312,333	\$151,362	\$2,589,891
Revenue Requirement												
Cont Ops to June 2029	\$686,371	\$1,178,846	\$1,177,198	\$589,285								\$3,631,700
Deferred Cost Amortization (7 year)				\$184,992	\$369,984	\$369,984	\$369,984	\$369,984	\$369,984	\$369,984	\$184,992	\$2,589,891
Replacement Energy				37,552	75,103	75,103	75,103	75,103	75,103	75,103	37,552	525,722
Total Revenue Requirement	\$686,371	\$1,178,846	\$1,177,198	\$811,829	\$445,087	\$445,087	\$445,087	\$445,087	\$445,087	\$445,087	\$222,544	\$6,747,312
Deferred Recovery, 10-year Amort.												
Accelerated Depreciation (NBV)	\$4,091,286											
EADIT	(1,327,658)											
Deferred Reg. Asset	\$2,763,629	\$2,625,447	\$2,349,084	\$2,072,721	\$1,796,359	\$1,519,996	\$1,243,633	\$967,270	\$690,907	\$414,544	\$138,181	-
ADIT (24.4%)	(674,325)	(640,609)	(573,177)	(505,744)	(438,312)	(370,879)	(303,446)	(236,014)	(168,581)	(101,149)	(33,716)	
Rate Base	\$2,089,303	\$1,984,838	\$1,775,908	\$1,566,977	\$1,358,047	\$1,149,117	\$940,186	\$731,256	\$522,326	\$313,395	\$104,465	
Pre-tax ROR	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	8.97%	
Return on Rate Base	\$93,665	\$177,963	\$159,230	\$140,497	\$121,764	\$103,031	\$84,298	\$65,565	\$46,832	\$28,099	\$4,683	
10 year Amortization	\$138,181	\$276,363	\$276,363	\$276,363	\$276,363	\$276,363	\$276,363	\$276,363	\$276,363	\$276,363	\$138,181	
Total Deferred Costs	\$231,846	\$454,326	\$435,593	\$416,860	\$398,127	\$379,394	\$360,661	\$341,928	\$323,195	\$304,462	\$142,865	\$3,789,259
Revenue Requirement												
Deferred Cost Amortization (10 year)	\$189,463	\$378,926	\$378,926	\$378,926	\$378,926	\$378,926	\$378,926	\$378,926	\$378,926	\$378,926	\$189,463	\$3,789,259
Replacement Energy	43,947	75,103	75,103	75,103	75,103	75,103	75,103	75,103	75,103	75,103	37,552	757,427
Total Revenue Requirement	\$233,410	\$454,029	\$454,029	\$454,029	\$454,029	\$454,029	\$454,029	\$454,029	\$454,029	\$454,029	\$227,014	\$4,546,685

**MONTANA-DAKOTA UTILITIES CO.
DEFERRED ACCOUNTING APPLICATION
GLEN ULLIN REVENUE REQUIREMENT - CONTINUED OPERATIONS**

	Jan-May 2026	June-December 2026	2027	2028	Jan-June 2029	
Rate Base						
Total Plant Balance	\$14,900,345	\$15,083,910	\$15,229,895	\$15,344,895	\$15,344,895	
Total Accumulated Reserve	10,809,059	11,110,946	11,634,690	12,163,383	12,429,678	
Net Plant in Service	\$4,091,286	\$3,972,964	\$3,595,205	\$3,181,512	\$2,915,217	
<u>Less:</u>						
ADIT Balance 1/	1,327,658	1,252,552	1,123,798	995,045	930,668	
Total Rate Base	\$2,763,629	\$2,720,412	\$2,471,407	\$2,186,467	\$1,984,548	
Return on Rate Base 2/	\$84,913	\$117,018	\$182,242	\$161,230	\$73,171	
Expenses						
Operating Expenses						
Fuel Costs	76,560	9,690	16,808	17,060	8,658	
Ormat Contract	\$165,820	\$232,148	\$409,907	\$422,204	\$217,435	
Misc Expenses	31,735	44,429	82,105	88,509	45,582	
Total O&M	274,115	286,267	508,820	527,773	271,675	
Total Depreciation 3/	215,634	301,887	523,744	528,693	266,296	
Total Expenses	\$489,748	\$588,154	\$1,032,564	\$1,056,466	\$537,971	
Income before Taxes (EBIT)	(\$489,748)	(\$588,154)	(\$1,032,564)	(\$1,056,466)	(\$537,971)	
Interest Expense	28,108	38,736	60,327	53,372	24,222	
Taxable income	(\$517,857)	(\$626,891)	(\$1,092,891)	(\$1,109,838)	(\$562,193)	
Income Taxes 4/	(\$126,357)	(\$152,961)	(\$266,665)	(\$270,801)	(\$137,175)	
Net Income Taxes	(\$126,357)	(\$152,961)	(\$266,665)	(\$270,801)	(\$137,175)	
Operating Income	(\$363,391)	(\$435,193)	(\$765,899)	(\$785,665)	(\$400,796)	
Revenue Requirement	\$592,994	\$730,439	\$1,254,155	\$1,252,507	\$626,940	
REC Revenue	(\$180)	(\$23)	(\$39)	(\$39)	(\$19)	
MISO Revenue	(\$347,993)	(\$44,045)	(\$75,270)	(\$75,270)	(\$37,635)	
Total Revenue	(\$348,173)	(\$44,068)	(\$75,309)	(\$75,309)	(\$37,655)	
Net Revenue Requirement	\$244,821	\$686,371	\$1,178,846	\$1,177,198	\$589,285	\$3,631,700

Footnotes:

1/ This is based off a 2 year balance.

2/ Projected Capital Structure with Authorized Return on Equity

	Ratio	Cost	After-tax	Pre-tax
Long-Term Debt 1/	45.088%	5.011%	2.259%	2.259%
Short-Term Debt 2/	3.797%	4.791%	0.182%	0.182%
Common Equity 3/	51.115%	9.650%	4.933%	6.525%
	100.000%		7.374%	8.966%

3/ Depreciation Expense at current rates

	2026	2027	2028	2029
Depreciation of Book	517,521	517,521	517,521	258,761
2026		6,223	6,223	3,111
2027			4,949	2,474
2028				1,949
	517,521	523,744	528,693	266,296

4/ Tax Rate
1- tax rate

2026	24.40%
	75.60%