Deloitte.

DELOITTE & TOUCHE LLP
Suite 2800
50 South Sixth Street
Minneapolis, MN 55402-1538
USA

Tel: +1 612 397 4000
Fax: +1 612 397 4450
www.deloitte.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members of
Basin Electric Power Cooperative
Bismarck, North Dakota

Opinion

We have audited the consolidated financial statements of Basin Electric Power Cooperative and its subsidiaries (the "Cooperative") (a North Dakota cooperative corporation), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Cooperative as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cooperative and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 11, 2025

BASIN ELECTRIC POWER COOPERATIVE AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
as of December 31, (dollars in thousands)

	2024	2023
Assets		
Utility plant (Notes 4 and 5):		
Electric plant in service	$ 7,708,913	$ 7,512,056
Construction work in progress	819,808	528,741
Total electric plant	8,528,721	8,040,797
Less: accumulated provision for depreciation and amortization	(3,447,760)	(3,293,839)
	5,080,961	4,746,958
Nonutility property (Notes 4 and 5):		
Property, plant and equipment	1,688,936	1,570,231
Construction work in progress	11,964	95,015
Total nonutility property	1,700,900	1,665,246
Less: accumulated provision for depreciation and depletion	(721,241)	(668,172)
	979,659	997,074
Other property, investments and deferred charges:		
Mine related assets (Notes 7 and 8)	151,425	134,372
Investments in associated companies	36,240	33,869
Restricted and designated investments (Notes 6 and 7)	54,313	46,102
Other investments (Notes 7 and 9)	261,073	269,282
Special funds	69,489	70,989
Regulatory assets (Note 10)	295,157	305,035
Other deferred charges (Note 4)	127,319	135,747
	995,016	995,396
Current assets:		
Cash and cash equivalents	376,659	69,147
Restricted and designated cash and equivalents (Note 6)	317,251	392,046
Short-term investments (Notes 6 and 7)	13,136	398,608
Customer accounts receivable	197,064	188,577
Other receivables	111,466	90,931
Fuel stock, materials and supplies (Note 2)	320,582	295,465
Prepayments and other current assets (Note 9)	102,988	171,786
	1,439,146	1,606,560
	$ 8,494,782	$ 8,345,988
Capitalization and liabilities		
Capitalization:		
Equity:		
Memberships	$ 22	$ 22
Patronage capital	1,476,557	1,395,966
Retained earnings of subsidiaries	125,713	123,974
Other equity (Note 11)	285,113	286,417
Accumulated other comprehensive income (Note 11)	4,806	5,738
	1,892,211	1,812,117
Noncontrolling interest	2,711	1,821
	1,894,922	1,813,938
Long-term debt, net of current portion (Note 12)	4,588,373	4,305,500
Finance lease obligations, net of current portion (Note 4)	4,305	4,259
Total capitalization	6,487,600	6,123,697
Regulatory liabilities (Note 10)	337,241	437,430
Other deferred credits, taxes and other liabilities (Notes 4, 9, 14, and 17)	672,164	592,013
	1,009,405	1,029,443
Commitments and contingencies (Note 18)		
Current liabilities:		
Current portion of long-term debt (Note 12)	193,198	171,134
Current portion of finance lease obligations (Note 4)	1,066	676
Accounts payable	315,719	359,689
Notes payable – affiliates (Note 12)	142,390	238,370
Notes payable (Note 12)	200,000	274,739
Taxes and other current liabilities (Notes 4 and 9)	145,404	148,240
	997,777	1,192,848
	$ 8,494,782	$ 8,345,988

The accompanying notes are an integral part of these consolidated financial statements.

BASIN ELECTRIC POWER COOPERATIVE AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
for the years ended December 31, (dollars in thousands)

	2024	2023
Utility operations:		
Operating revenue:		
Sales of electricity for resale:		
Members	$ 1,995,959	$ 1,926,214
Others	268,373	345,761
	2,264,332	2,271,975
Other electric revenue	6,500	7,563
	2,270,832	2,279,538
Operating expenses:		
Operation	1,546,310	1,542,786
Maintenance	199,929	194,283
Depreciation and amortization	204,903	203,527
Taxes other than income	3,371	3,032
	1,954,513	1,943,628
Interest and other charges:		
Interest on long-term debt	187,821	190,186
Interest on short-term debt	19,925	22,098
Other	13,808	12,467
	221,554	224,751
Operating margin	94,765	111,159
Nonoperating margin:		
Interest and other income	73,904	83,067
Patronage allocations from other cooperatives	4,580	4,767
	78,484	87,834
Utility margin before income taxes	173,249	198,993
Nonutility operations:		
Operating revenue:		
Synthetic natural gas	79,433	129,028
Byproducts, coproducts and other	327,621	339,787
Lignite coal	137,513	138,765
	544,567	607,580
Operating expenses:		
Impairment of assets	36,296	5,035
Other operating expenses (includes $23,215 and $21,083 of net income attributed to noncontrolling interest)	720,824	689,429
Operating loss	(212,553)	(86,884)
Interest, other income, and tax credits (Note 2)	143,446	25,541
Nonutility loss before income taxes	(69,107)	(61,343)
Margin before income taxes	104,142	137,650
Income tax benefit	(16,637)	(9,866)
Net margin and earnings	$ 120,779	$ 147,516

The accompanying notes are an integral part of these consolidated financial statements.

BASIN ELECTRIC POWER COOPERATIVE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

for the years ended December 31, (dollars in thousands)

	2024	2023
Net margin and earnings	$ 120,779	$ 147,516
Other comprehensive loss:		
Adjustment to post employment liability (net of tax of $(44) and $13, respectively)	2,826	4,010
Unrealized gain on securities (net of tax of $305 and $725, respectively)	1,070	2,706
Reclassification of net realized (gain) loss on securities (net of tax of $(2) and $13, respectively)	9	50
Unrealized gain (loss) on cash flow hedges (net of tax of $(686) and $3,651, respectively)	(2,578)	13,736
Reclassification of net realized gain on cash flow hedges (net of tax of $(600) and $(6,338), respectively)	(2,259)	(23,839)
Total other comprehensive loss	(932)	(3,337)
Comprehensive income	$ 119,847	$ 144,179

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the years ended December 31, 2024 and 2023 (dollars in thousands)

	Memberships	Patronage Capital	Retained Earnings of Subsidiaries	Other Equity	Accumulated Other Comprehensive Income	Non-controlling Interest	Total
Balance, December 31, 2022	$ 21	$ 1,228,756	$ 120,410	$ 346,348	$ 9,075	$ 5,006	$ 1,709,616
Comprehensive income	-	150,254	(2,738)	-	(3,337)	-	144,179
Transfers to other equity (Note 11)	-	59,931	-	(59,931)	-	-	-
Purchase of memberships	1	-	-				1
Retirement of patronage capital	-	(42,975)	6,302	-	-	-	(36,673)
Noncontrolling interest in net margin and earnings	-	-	-	-	-	21,083	21,083
Dividends paid to noncontrolling interest	-	-	-	-	-	(24,268)	(24,268)
Balance, December 31, 2023	22	1,395,966	123,974	286,417	5,738	1,821	1,813,938
Comprehensive income	-	125,872	(5,093)	-	(932)	-	119,847
Transfers to other equity (Note 11)	-	1,304	-	(1,304)	-	-	-
Retirement of patronage capital	-	(46,585)	6,832	-	-	-	(39,753)
Noncontrolling interest in net margin and earnings	-	-	-	-	-	23,215	23,215
Dividends paid to noncontrolling interest	-	-	-	-	-	(22,325)	(22,325)
Balance, December 31, 2024	$ 22	$ 1,476,557	$ 125,713	$ 285,113	$ 4,806	$ 2,711	$ 1,894,922

The accompanying notes are an integral part of these consolidated financial statements.

BASIN ELECTRIC POWER COOPERATIVE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

for the years ended December 31, (dollars in thousands)

	2024	2023
Operating activities:		
Net margin and earnings	$ 120,779	$ 147,516
Adjustments to reconcile net margin and earnings to net cash from operating activities:		
Depreciation and amortization of property, plant and equipment	268,198	258,681
Deferred income taxes	(15,564)	(12,725)
Changes in regulatory assets and liabilities	(63,792)	(58,826)
Unrealized gain on investments	(12,034)	(11,384)
Patronage capital allocated	(7,224)	(8,444)
Other amortization and accretion	80,959	38,171
Income attributable to noncontrolling interest	23,215	21,083
Recognition of initial payment for tax credits	(20,657)	-
Changes in other operating elements:		
Customer accounts receivable	(8,487)	29,587
Other receivables	(17,934)	22,152
Fuel stock, materials and supplies	(31,333)	(52,948)
Prepayments and other current assets	(1,708)	(10,009)
Accounts payable	7,039	56,800
Taxes and other current liabilities	(18,679)	(166,396)
Changes in collateral	2,521	385
Other operating activities, net	(42,753)	5,014
Net cash provided by operating activities	262,546	258,657
Investing activities:		
Acquisition of electric plant	(561,436)	(469,748)
Acquisition of nonutility property	(83,690)	(54,891)
Proceeds from sales of property	3,910	1,783
Purchase of investments	(1,138,995)	(1,300,771)
Sale of investments	1,517,156	1,607,266
Sale of other assets and payments received on notes receivable	5,859	17,971
Purchase of other assets and issuance of notes receivable	(9,586)	(18,626)
Net cash used in investing activities	(266,782)	(217,016)
Financing activities:		
Proceeds from sale of membership interest	167,467	-
Proceeds from issuance of long-term debt	479,600	80,000
Principal payments of long-term debt	(212,331)	(88,692)
Payment of debt issuance costs	(2,875)	(383)
Proceeds from issuance of notes payable - affiliates	2,292,031	2,336,735
Payments of notes payable - affiliates	(2,386,759)	(2,349,511)
Proceeds from issuance of notes payable	232,213	769,009
Payments of notes payable	(269,177)	(768,324)
Payments under finance lease obligations	(1,138)	(810)
Retirement of patronage capital	(39,753)	(36,673)
Dividends paid to noncontrolling interest	(22,325)	(24,268)
Net cash provided by (used in) financing activities	236,953	(82,917)
Net increase (decrease) in cash and cash equivalents and designated cash and equivalents	232,717	(41,276)
Cash and cash equivalents and restricted and designated cash and equivalents, beginning of period	461,193	502,469
Cash and cash equivalents and restricted and designated cash and equivalents, end of period	$ 693,910	$ 461,193

The accompanying notes are an integral part of these consolidated financial statements.

BASIN ELECTRIC POWER COOPERATIVE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the years ended December 31, (dollars in thousands)

1. ORGANIZATION

Basin Electric Power Cooperative (Basin Electric) is an electric generation and transmission cooperative corporation, organized and existing under the laws of the State of North Dakota. It serves member electric service needs in a nine-state region of North Dakota, South Dakota, Montana, Wyoming, New Mexico, Colorado, Nebraska, Minnesota and Iowa. Basin Electric's power supply resources are composed of its own generating facilities and contractual power purchase arrangements. Basin Electric owns and operates transmission assets, some of which are a part of the Southwest Power Pool and others which are jointly owned.

The rates charged to its members for electric service are established by Basin Electric's Board of Directors with changes in rates subject to acceptance by Federal Energy Regulatory Commission (FERC).

Basin Electric has three wholly owned for-profit subsidiaries, Dakota Gasification Company (Dakota Gas), Dakota Coal Company (Dakota Coal), and Nemadji River Generation (NRG). Basin Electric also has one wholly owned not-for-profit subsidiary, Basin Cooperative Services (BCS). Dakota Gas has a wholly owned for-profit subsidiary, Souris Valley Pipeline Limited (SVPL). Dakota Coal has a wholly owned for-profit subsidiary, Montana Limestone Company (MLC). Dakota Gas owns and operates the Great Plains Synfuels Plant (Synfuels Plant) which converts lignite coal into pipeline-quality synthetic gas and produces a number of other products including anhydrous ammonia, urea, diesel exhaust fluid (DEF), carbon dioxide (CO_2), tar oil and chemical products. The Synfuels Plant is located adjacent to Basin Electric's Antelope Valley Station (AVS) electric generating plant. These plants share certain facilities, and coal and water supplies. Dakota Gas supplies various Basin Electric gas generating stations and AVS with synthetic gas. SVPL owns and operates a CO_2 pipeline in Saskatchewan, Canada. Dakota Coal purchases lignite coal from the Freedom Mine, a coal mine in North Dakota that is owned and operated by The Coteau Properties Company (Coteau), a wholly owned subsidiary of The North American Coal Corporation (NACoal). NACoal is a wholly owned subsidiary of NACCO Industries, Inc. (NACCO). Coteau is a variable interest entity (VIE) of Dakota Coal. Pursuant to the coal purchase agreement, Dakota Coal is obligated to provide financing for and has certain rights with respect to the operation of the coal mine. The lignite coal is used in Basin Electric's Leland Olds Station (LOS), AVS, and Dakota Gas' Synfuels Plant. Dakota Coal coordinates procurement and rail delivery of Powder River Basin coal to the Laramie River Station (LRS) and the Dry Fork Station (DFS). Dakota Coal also owns a lime plant that sells lime to AVS, the Laramie River Station (LRS) and others. MLC operates a limestone quarry and owns and operates a fine grind plant, both in Montana, and sells limestone to Dakota Coal's lime plant, LOS and others. BCS provides certain nonutility property management services to Basin Electric. Basin Electric is a 42.27 percent owner of the Missouri Basin Power Project (MBPP) and acts as the operating agent for the 1,700 megawatt LRS generating plant in Wyoming, associated transmission facilities and the Grayrocks Dam and Reservoir. NRG is a 30% owner in the Nemadji Trail Energy Center (NTEC) project. The NTEC project is a proposed 600 megawatt combined cycle generating plant in Wisconsin. Basin Electric's ownership in MBPP and NTEC is accounted for using proportionate consolidation consistent with accounting for jointly owned utility property.

Dakota Carbon Services LLC (DCS), a Delaware limited liability company, was incorporated in October 2023. DCS was formed to own and operate carbon capture assets in North Dakota and to contract for transportation and sequestration of CO_2. In February 2024, an LLC agreement was entered into by DGC with a tax equity partner to monetize tax credits available under Section 45Q of the United States Internal Revenue Code for the capture and sequestration of CO_2 (45Q transaction).

2. SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION — The consolidated financial statements include the accounts of Basin Electric, its wholly owned subsidiaries and its VIE's, Coteau and DCS. DCS is considered a VIE for which Dakota Gas in the primary beneficiary. All intercompany investments, debt, and receivable and payable accounts have been eliminated in consolidation. Charges from BCS, Dakota Gas, Dakota Coal, MLC and Coteau to Basin Electric and charges from Basin Electric to BCS, Dakota Gas, Dakota Coal, MLC and Coteau are not eliminated as Basin Electric includes the results of these activities in the determination of rates charged to its members (Note 19).

N-7 LLC (N-7) is a Delaware limited liability company formed by OCI Iowa, Inc. (OCI) and Dakota Gas on May 18, 2018. N-7 was formed to market OCI's, Dakota Gas' and other companies' fertilizer and DEF production. N-7 is considered a VIE of Dakota Gas for which Dakota Gas is not the primary beneficiary and, therefore, Dakota Gas is not required to consolidate N-7. However, Dakota Gas has the ability to exercise significant influence over N-7. Therefore, Dakota Gas' share of N-7 net income is recorded in the consolidated financial statements using the equity method of accounting. The investment in N-7 is included in Other investments on the Consolidated Balance Sheets and Dakota Gas' share of N-7 net income is presented in nonutility Interest, other income and tax credits of the Consolidated Statements of Operations.

In 2024, Dakota Gas and OCI agreed to dissolve N-7with final dissolution expected to be completed in March 2025. Basin Electric does not anticipate this to have a material impact on the consolidated financial statements and disclosures.

USE OF ESTIMATES — The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates are used for items such as present value of lease assets and lease liabilities, plant depreciable lives, actuarially determined benefit costs, valuation of derivatives, asset retirement obligations, present value of expected tax credits, cash flows used in asset impairment evaluations and income tax expense or benefits. Ultimate results could differ from those estimates.

CASH AND CASH EQUIVALENTS — Basin Electric considers all investments purchased with an original maturity of three months or less to be cash equivalents. The fair value of cash equivalents approximates their carrying values due to their short-term maturity.

RESTRICTED AND DESIGNATED CASH AND INVESTMENTS — Basin Electric has certain restricted cash and investments for MBPP operating funds. Other restricted investments are held in trust by a financial institution for SVPL asset retirement obligations. Basin Electric's Board of Directors designates additional cash and investments for deferred revenue purposes and for other asset retirement obligations. For more information, see Note 6.

INVESTMENTS — Investments include equity securities, corporate bonds, government obligations and bond market funds as well as the cash surrender value of life insurance policies. Investments in equity securities are measured at fair value with unrealized gains and losses recorded on the Consolidated Statements of Operations. Basin Electric classifies its debt securities as either available-for-sale or held-to-maturity. Available-for-sale debt securities are measured at fair value and unrealized gains and losses are recorded in Accumulated other comprehensive income. Held-to-maturity debt securities are measured at amortized cost. If any of Basin Electric's other investments experience a decline in value that is believed to be other than temporary, a loss is recognized in Interest and other income in the Consolidated Statements of Operations. For more information, see Note 7.

FUEL STOCK, MATERIALS AND SUPPLIES — Dakota Gas products available for sale and MLC limestone inventories are stated at the lower of average cost or net realizable value. Fuel stock, materials and supplies inventories are stated at average cost, which approximates market. Inventories were as follows at December 31:

	2024	2023
Materials and supplies	$ 221,836	$ 203,324
Coal and fuel oil	67,009	54,813
Lime and limestone inventory	8,779	7,411
Ammonia	4,434	11,087
Urea	7,134	6,657
Natural gas held in storage	3,418	2,822
Ammonium sulfate	3,015	1,567
Other products	4,398	6,632
Process inventory	559	1,152
	$ 320,582	$ 295,465

PATRONAGE CAPITAL — At the discretion of Basin Electric's Board of Directors, utility margins are allocated to members on a patronage basis or may be offset in whole or in part against current or prior losses. Basin Electric may not retire patronage capital if, after the distribution, an event of default would exist or Basin Electric's equity would be less than 20 percent of total long-term debt and equity. Cumulative patronage capital retired was $518,301 and $471,716 at December 31, 2024 and 2023.

REVENUE RECOGNITION — Revenue is recognized when a performance obligation is satisfied which occurs when the control of the promised goods or services is transferred to customers. Revenue is measured based on the transaction price identified in the contract with a customer. The transaction price in a contract reflects the amount of consideration to which an entity expects to be entitled to in exchange for goods or services transferred. Payment terms vary by contract. Generally, payment is due within 30 days.

Revenue is derived primarily from utility operations and nonutility operations.

Utility operations mainly consist of wholesale electricity sales to members pursuant to long-term wholesale electric service contracts and the sale of excess energy and ancillary services transacted through regional transmission organizations (RTOs) and short-term wholesale power agreements by Basin Electric.

- Member wholesale electricity sales - The delivery of energy under member wholesale power agreements is considered one single performance obligation as providing the electric power commodity and the transmission of the electricity is fulfilling a single promise to the customer. The terms of the wholesale power agreements specify the rate schedules applicable and other pricing provisions. The member rate schedules are approved by the Basin Electric Board of Directors. The satisfaction of the performance obligation is measured over time as the customer simultaneously receives and consumes the benefits provided. The output method is used where revenue is recognized based on the metered quantity and as energy is delivered.

- Non-member wholesale electricity sales - The sale of excess energy to non-members is considered a single performance obligation. The terms of either the bilateral power sales contract or the RTO market protocols determine the pricing terms. The satisfaction of the performance obligation is measured over time as the customer simultaneously receives and consumes the benefits provided. The output method is used where revenue is recognized as energy is delivered. Transactions are netted on an hourly basis and are recorded as either sales or purchases.

- Other electric utility revenue - Other electric utility revenue primarily consists of miscellaneous services provided and miscellaneous sales of equipment. Generally, a single performance obligation exists in the generation of other revenue and the performance obligation is satisfied at a point in time. The contract specifies the price, and revenue is recognized as delivery occurs or services are rendered.

Nonutility operations mainly consists of the sale of synthetic natural gas, fertilizer and DEF products and other byproducts such as CO_2, tar oil and chemical products which are produced at Dakota Gas' Synfuels Plant and the sale of lignite coal that Dakota Coal purchases from Coteau from the Freedom Mine for use at AVS, LOS and Dakota Gas' Synfuels Plant.

- Synthetic natural gas, certain other byproducts and lignite coal - The sale and delivery of synthetic natural gas, certain other byproducts (exclusive of fertilizer and DEF products), and lignite coal is considered one single performance obligation as providing the commodity and the delivery of it is fulfilling a single promise to the customer as control transfers to the customer upon delivery. The performance obligation is satisfied at a point in time. The sales contracts and coal supply contracts specify the price, and revenue is recognized as delivery occurs.

- Fertilizer products - For the sale of fertilizer and DEF products, control transfers at the exit gate of the plant, therefore, the shipping of the product is not included in the performance obligation. The performance obligation is satisfied at a point in time. The marketing agreement with N-7 specifies the price, and revenue is recognized as products exit the plant.

- Other nonutility revenue - Other nonutility revenue largely consists of sales of lime from Dakota Coal's lime plant and sales of limestone from MLC's limestone quarry and fine grind plant. The sale and delivery of lime and limestone is considered one single performance obligation as providing the lime and limestone and the delivery of it is fulfilling a single promise to the customer as control transfers to the customer upon delivery. The performance obligation is satisfied at a point in time. The sales contracts specify the price, and revenue is recognized as delivery occurs.

ACCOUNTS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES — Accounts receivable primarily consists of wholesale electricity sales to members and non-members for utility operations and sales of synthetic natural gas, fertilizer and DEF and other products for nonutility operations. Accounts receivable are stated at billed and estimated unbilled amounts, net of allowance for credit losses.

An allowance for credit losses is recorded based on estimated uncollectible trade receivables. Estimated uncollectible trade receivables are reviewed with consideration given to historical experience, credit worthiness and the age of the receivable balances. An allowance for credit losses is recorded when we are aware of a customer's inability or reluctance to pay. Accounts are written off once they are determined to be uncollectible.

ACCOUNTING FOR GOVERNMENT GRANTS — As a part of the 45Q transaction to monetize Section 45Q tax credits, Dakota Gas received an initial payment of $167.5 million from the tax equity investor and the right to receive installment payments in exchange for certain membership interest in DCS. The initial payment was recognized in Other deferred credits, taxes and other liabilities and the initial payment is accounted for as a sale of future revenue using the effective interest method. The carrying amount of the initial payment liability is the present value of the expected future tax credits to be earned. When there is reasonable assurance that the tax credits will be earned, the initial payment liability is reduced and other income with an interest expense component is recorded. The installment payments are recorded as other income when received.

Dakota Gas accounts for the monetization of the tax credits that DCS is eligible to receive under Section 45Q of the U.S. IRC as government grants under the grant model by analogy to IFRS (International Financial Reporting Standards) IAS (International Accounting Standards) 20, *Accounting for Government Grants and Disclosure of Government Assistance*. The Section 45Q tax credits are considered a grant related to income and Basin Electric has elected to present the monetization of the benefit as nonutility Interest, other income and tax credits and nonutility Other operating expenses on the Statement of Operations. The monetization of the Section 45Q tax credits are recognized when there is reasonable assurance that the tax credits will be received.

LEASES — Leases are classified as either operating leases or finance leases based on guidance provided in FASB Accounting Standards Codification (ASC) 842, Leases. Lease liabilities and their corresponding lease assets are recorded based on the present value of lease payments over the expected lease term. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term for operating leases. For finance leases, the amortization of lease assets is recognized on a straight-line basis. Basin Electric does not recognize a corresponding lease asset or lease liability for leases with an original lease term of 12 months or less. Basin Electric determines the lease term based on the non-cancelable period in each contract, as well as any cancelable periods for which it is reasonably certain the lease will be extended.

The discount rate used to calculate the present value of the lease liabilities is based upon the implied rate within each contract. If the rate is unknown or cannot be determined, Basin Electric uses an incremental borrowing rate, which is determined by the length of the contract and Basin Electric's estimated borrowing rates as of the commencement date of the contract.

Variable lease payments that do not depend on an index or rate are recognized as incurred.

ELECTRIC PLANT AND NONUTILITY PROPERTY — Electric plant and nonutility property are stated at cost, including contract work, direct labor and materials, allocable overheads and allowance for funds used during construction. Repairs and maintenance are charged to operations as incurred. Generally, when electric plant is retired, sold, or otherwise disposed of, the original cost plus the cost of removal less salvage value is charged to accumulated depreciation and the corresponding gain or loss is amortized over the remaining life of the plant. However, when an entire electric plant unit or system or land is sold, the cost and the related accumulated depreciation are eliminated and a gain or loss is reflected in the Consolidated Statements of Operations. When nonutility property is retired or sold, the cost and the related accumulated depreciation are eliminated and any gain or loss is reflected in nonutility operations in the Consolidated Statement of Operations. For more information, see Note 5.

DEPRECIATION AND AMORTIZATION — Electric plant and nonutility property at Dakota Gas is depreciated using a straight-line method over a remaining estimated useful life. For nonutility property at Dakota Coal, depreciation and depletion are provided for using the straight-line method based on the estimated useful lives or the units-of-production method based on estimated recoverable tonnage. For more information, see Note 5.

RECOVERABILITY OF LONG-LIVED ASSETS — Basin Electric accounts for the impairment or disposal of long-lived assets in accordance with ASC 360, *Property, Plant, and Equipment*, which requires long-lived assets, such as property and equipment, to be evaluated for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment has occurred when estimated undiscounted cash flows expected to result from the use of the asset plus net proceeds expected from disposition of the asset, if any, are less than the carrying value of the asset. If an impairment has occurred, the carrying amount of the asset is reduced to its estimated fair value based on quoted market prices or other valuation techniques.

The impairment loss of $36.3 million in 2024 consists of $32.3 million related to NRG's investment in NTEC; as it is not expected to generate any future cash flows, and $4.0 million of coal gasification additions that were impaired upon purchase. In 2018, management determined that certain coal gasification assets were impaired, consequently any subsequent coal gasification asset additions were impaired upon purchase.

An impairment loss of $5.0 million in 2023 consists of coal gasification additions that were impaired upon purchase.

REGULATORY ASSETS AND LIABILITIES — Basin Electric is subject to the provisions of ASC 980, *Regulated Operations*. Regulatory assets represent probable future revenue to Basin Electric associated with certain costs which will be recovered from customers through the ratemaking process. Regulatory liabilities represent probable future reductions in revenue associated with amounts that are to be credited to customers through the ratemaking process. For more information, see Note 10.

INCOME TAXES — Basin Electric uses the asset and liability method to account for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of all temporary differences between the carrying amounts of assets and liabilities and their respective tax bases. Deferred taxes are recorded using the tax rates scheduled by tax law to be in effect in the periods when the temporary differences reverse. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that a portion or all of the deferred tax assets will not be realized. The realizability of deferred tax assets is determined by taking into consideration forecasts of future taxable income, the reversal of other existing temporary differences, available net operating loss carryforwards and available tax planning strategies. Changes in valuation allowances are included in the provision for income taxes in the period of the changes.

Basin Electric recognizes the tax effects of all tax positions that are more-likely-than-not to be sustained on audit based solely on the technical merits of those positions as of the balance sheet date. Changes in the recognition or measurement of such positions are recognized in the provision for income taxes in the period of the changes. Basin Electric classifies interest and penalties on tax uncertainties as components of those accounts in the Consolidated Statement of Operations. For more information, see Note 14.

DERIVATIVE FINANCIAL INSTRUMENTS — All derivatives are measured at fair value and recognized as either assets or liabilities on the Consolidated Balance Sheets, except for derivative contracts that qualify for and are elected under the normal purchase and normal sales exception under the requirements of ASC 815, *Derivatives and Hedging*. Basin Electric, Dakota Gas and Dakota Coal evaluate all purchase and sale contracts when executed to determine if they are derivatives and, if so, if they meet the normal purchase normal sale exception requirements under ASC 815. The derivative instruments that do not meet the normal purchase and normal sales exception are evaluated for designation as cash flow hedges of forecasted sales and purchases of commodities. Basin Electric also utilizes interest rate swap agreements to reduce exposure to interest rate fluctuations associated with floating rate debt obligations and anticipated debt financing.

Under ASC 980, Basin Electric's Board of Directors defers changes in the fair value of certain derivative activity as a regulatory item to be recovered through rates in the future. Only current settlements of these derivative transactions are included in earnings. See Note 9 for more information.

COLLATERAL — Certain derivative instruments and certain agreements of Basin Electric and Dakota Gas contain contract provisions that require collateral to be posted if the credit ratings of Basin Electric fall below certain levels or if the counterparty exposure to Basin Electric or Dakota Gas exceeds a certain level.

Collateral posted (received) is related to derivative assets and liabilities and agreements that contain credit-related contingent features and is included in the Consolidated Balance Sheets as follows:

	2024	2023
Other investments	$ 50,633	$ 48,845
Cash and cash equivalents	1,297	5
Prepayments and other current assets	6,530	10,890
Taxes and other current liabilities	(3,311)	(5,328)
	$ 55,149	$ 54,412

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE — AASC 820, *Fair Value Measurements*, defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The standard applies to reported balances that are required or permitted to be measured at fair value.

ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). For more information, see Note 15.

INSURANCE PROCEEDS — In 2022, Dakota Gas had an electrical power outage loss that resulted in reduced equipment availability. As a result of that event, in 2023, Dakota Gas and Dakota Coal received $26.6 million of business interruption insurance proceeds. In 2024, due to the same event Dakota Gas received $8.5 million of property damage insurance proceeds. The business interruption and property damage insurance proceeds were recognized as a reduction of nonutility operating expenses in the Consolidated Statements of Operations.

In 2022, Dakota Gas had a fire resulting in the loss of property. As a result of that event, in 2024, Dakota Gas settled with its insurance carrier on the claim resulting in recognition of $13.8 million of property damage insurance proceeds. The property damage insurance proceeds were recognized as a reduction of nonutility operating expenses in the Consolidated Statements of Operations.

SUBSEQUENT EVENTS — Basin Electric considered events for recognition or disclosure in the consolidated financial statements that occurred subsequent to December 31, 2024 through March 11, 2025, the date the consolidated financial statements were available for issuance.

Management is not aware of any material subsequent events that would require recognition or disclosure in the 2024 consolidated financial statements.

3. NEW ACCOUNTING PRONOUNCEMENTS

RECENTLY ISSUED ACCOUNTING STANDARD UPDATES (ASU)

ASU 2023-09 *Improvements to Income Tax Disclosures* — In December 2023, the FASB issued new guidance to improve the transparency of income tax disclosures related to the rate reconciliation and income taxes paid disclosures. Other amendments improve the effectiveness and comparability of disclosures by adding disclosures of pretax income (or loss) and income tax expense (or benefit) and removing disclosures that no longer are considered cost beneficial or relevant. The new guidance will be effective for Basin Electric in 2026. Management is currently evaluating the impact of adoption of this new guidance on the financial statement disclosures.

4. LEASES

LESSEE ACCOUNTING — Most of the leases Basin Electric enters into are for certain substation, office and communication equipment, mining equipment, railcars, certain land leases and a generation facility, as part of its ongoing operations. Basin Electric determines if an arrangement contains a lease at inception of a contract.

Generally, the leases for certain substation, office and communication equipment, mining equipment and railcars have a term of ten years or less, certain land leases have a longer term of up to 100 years and the generation facility has a term of 10 years. To date, Basin Electric does not have any residual value guarantee amounts probable of being owed to a lessor. Basin Electric does have financing leases and material agreements with related parties.

The lease costs are included in Operation and Maintenance expenses, Depreciation and amortization and Interest and other charges on the Consolidated Statements of Operations. The following tables provide information on Basin Electric's leases at and for the years ended December 31, 2024 and 2023.

The components of lease expense for the year ended December 31 were as follows:

	2024	2023
Finance lease cost:		
Amortization of lease assets	$ 1,674	$ 1,228
Interest on lease liabilities	503	435
Operating lease cost	26,330	25,502
Short-term lease cost	2,114	4,478
Variable lease cost	1,309	1,062
Sublease income	(1,562)	(1,541)
Total lease cost	$ 30,368	$ 31,164

Supplemental balance sheet information related to leases as of December 31 was as follows:

	Balance Sheet Location	2024	2023
Assets:			
Net operating lease assets	Other deferred charges	$ 124,062	$ 132,956
Financing lease assets	Utility plant – electric plant in service	$ 9,332	$ 9,052
Less: Accumulated amortization	Accumulated provision for depreciation and amortization	(3,286)	(2,854)
Financing lease assets	Nonutility property – property, plant and equipment	3,190	2,482
Less: Accumulated amortization	Accumulated provision for depreciation and amortization	(988)	(421)
Net finance lease assets		$ 8,248	$ 8,259
Liabilities:			
Current:			
Operating leases	Taxes and other current liabilities	$ 22,434	$ 20,781
Finance leases	Current portion of finance lease obligations	1,066	676
Total current lease liabilities		$ 23,500	$ 21,457
Noncurrent:			
Operating leases	Other deferred credits, taxes and other liabilities	$ 101,773	$ 112,310
Finance leases	Finance lease obligations, net of current portion	4,305	4,259
Total noncurrent lease liabilities		$ 106,078	$ 116,569

Supplemental cash flow information related to leases as of December 31 was as follows:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases	$ 243	$ 286
Operating cash flows from operating leases	$ 25,909	$ 25,848
Financing cash flows from finance leases	$ 1,138	$ 810

Weighted average remaining terms and discount rates related to leases as of December 31 was as follows:

	2024	2023
Weighted-average remaining lease term-finance leases	10.9 years	12.5 years
Weighted-average remaining lease term-operating leases	10.9 years	11.4 years
Weighted-average discount rate-finance leases	5.3%	5.0%
Weighted-average discount rate-operating leases	3.7%	3.8%

The reconciliation of the future undiscounted cash flows to the lease liabilities presented on the Consolidated Balance Sheet at December 31, 2024, was as follows:

Year	Operating Leases	Finance Leases	Total
2025	$ 28,338	$ 1,364	$ 29,702
2026	25,400	1,307	26,707
2027	16,063	794	16,857
2028	13,955	436	14,391
2029	13,572	229	13,801
Thereafter	55,443	3,127	58,570
Total lease payment	152,771	7,257	160,028
Less discount	28,564	1,886	30,450
Total lease liabilities	$ 124,207	$ 5,371	$ 129,578

5. PROPERTY, PLANT AND EQUIPMENT AND JOINTLY OWNED FACILITIES

Significant components of property, plant and equipment were as follows at December 31:

	Depreciable Lives	2024	2023
Utility property:			
Electric plant in service:			
Generation	20-60 years	$ 5,811,843	$ 5,816,768
Transmission	20-60 years	1,569,678	1,381,103
General plant	3-20 years	327,392	314,185
Construction work in progress		819,808	528,741
Total utility property		8,528,721	8,040,797
Less: accumulated provision for depreciation and amortization		(3,447,760)	(3,293,839)
		$ 5,080,961	$ 4,746,958
Nonutility property:			
Dakota Gasification Company:			
Synfuels Plant	30 years	$ 905,983	$ 907,027
Pipelines	3-30 years	64,069	32,559
Other property	3-30 years	113,542	79,502
Dakota Coal Company:			
Mining	10-20 years	537,343	483,799
Lime and limestone	10-20 years	50,477	50,314
Other property	3-20 years	13,706	13,227
Other		3,816	3,803
Construction work in progress		11,964	95,015
Total nonutility property		1,700,900	1,665,246
Less: accumulated provision for depreciation and depletion		(721,241)	(668,172)
		$ 979,659	$ 997,074

Utility property and nonutility property construction work in progress includes $33,802 and $12,296 as of December 31, 2024 and 2023, respectively, of interest charged and capitalized to construction. Annual electric plant depreciation and amortization expense totaled $206,011 and $205,011 for 2024 and 2023. Annual nonutility depreciation, depletion and amortization expense totaled $63,856 and $55,092 for 2024 and 2023.

Basin Electric's investment in the jointly owned MBPP electric plant included in Utility property above was as follows at December 31:

	2024	2023
Electric plant	$ 965,675	$ 950,294
Less accumulated provision for depreciation and amortization	(627,848)	(611,210)
	$ 337,827	$ 339,084

6. RESTRICTED AND DESIGNATED CASH AND INVESTMENTS

Cash, cash equivalents, and restricted and designated cash and cash equivalents reported within the Consolidated Balance Sheets and included in the Consolidated Statement of Cash Flows are as follows at December 31:

	2024	2023
Cash and cash equivalents	$ 376,659	$ 69,147
Restricted and designated cash and equivalents:		
MBPP operating funds	27,251	42,046
Deferred revenue	290,000	350,000
	317,251	392,046
Total cash, cash equivalents and restricted and designated cash and equivalents included in the Consolidated Statements of Cash Flows	$ 693,910	$ 461,193

Restricted and designated investments reported within the Consolidated Balance Sheets are as follows at December 31:

	2024	2023
Restricted and designated investments:		
Funds held in trust for an asset retirement obligation		
by Bank of Montreal as trustee for SVPL	$ 4,550	$ 3,285
Asset retirement obligations	49,763	42,817
	$ 54,313	$ 46,102

Restricted cash and investments include funds held by a financial institution, as trustee, at December 31. Designated cash and investments includes amounts designated by the Basin Electric Board of Directors.

7. INVESTMENTS

Investments in equity securities and available-for-sale debt securities are included in Mine related assets, Restricted and designated investments and Other investments on the Consolidated Balance Sheets. The cost, unrealized holding gains and losses, and fair value of equity and debt securities that do not have an allowance for credit losses were as follows at December 31, 2024:

		Gross Unrealized Holding		
	Cost	Gains	Losses	Fair Value
Available-for-sale debt securities:				
Corporate and government bonds	$ 117,064	$ 83	$ (54)	$ 117,093
Equity securities:				
Equities and equity funds	43,766	76,830	-	120,596
Bond market funds	65,044	-	(7,462)	57,582
	108,810	76,830	(7,462)	178,178
Other	28	-	-	28
	$ 225,902	$ 76,913	$ (7,516)	$ 295,299

During 2024, sales proceeds on debt securities classified as available-for-sale were $91,165. The cost of securities sold is based on the specific identification method.

The cost, unrealized holding gains and losses, and fair value of equity and debt securities that do not have an allowance for credit losses were as follows at December 31, 2023:

		Gross Unrealized Holding		
	Cost	Gains	Losses	Fair Value
Available-for-sale debt securities:				
Corporate and government bonds	$ 116,991	$ -	$ (1,389)	$ 115,602
Equity securities:				
Equities and equity funds	40,627	55,685	-	96,312
Bond market funds	62,753	-	(6,116)	56,637
	103,380	55,685	(6,116)	152,949
Other	60	-	(1)	59
	$ 220,431	$ 55,685	$ (7,506)	$ 268,610

During 2023, sales proceeds on debt securities classified as available-for-sale were $51,897. The cost of securities sold is based on the specific identification method.

The fair value of available-for-sale debt securities by contracted maturity date at December 31, 2024 was as follows:

	2024
Due through one year	$ 89,311
Due after one year through five years	27,690
Due after five years	92
	$ 117,093

Held-to-maturity debt securities have contracted maturity dates of one year or less and are included in Cash and cash equivalents, Restricted and designated cash and equivalents and Short-term investments on the Consolidated Balance Sheets. The amortized costs were as follows:

	2024	2023
Corporate commercial paper	$ 38,938	$ 47,500
Money market	448,162	366,796
Treasuries	212,727	438,321
	$ 699,827	$ 852,617

Included in Other investments on the Consolidated Balance Sheets is the cash surrender value of life insurance policies of $1,810 and $1,887, as of December 31, 2024 and 2023.

The MBPP provides financing to Western Fuels Association (Western Fuels) and Western Fuels-Wyoming, Inc. (WFW), a wholly owned subsidiary of Western Fuels, for mine development costs associated with coal deliveries to LRS. Basin Electric provides financing to Western Fuels and WFW for mine development costs associated with coal deliveries to DFS.

Notes receivable from WFW of $21,462 and $20,315 as of December 31, 2024 and 2023 are included in Other investments, Investments in associated companies and Other receivables on the Consolidated Balance Sheets. Maturities range from June 2025 through May 2043, and the weighted average interest rate is 5.48 percent. The estimated fair value of these notes receivable at December 31, 2024 and 2023 was $20,927 and $20,709, respectively, based on the future cash flows discounted using the yield on a treasury note with a similar maturity.

8. MINE-RELATED ASSETS

Assets associated with the properties that supply coal for AVS, LOS and Dakota Gas' Synfuels Plant are classified as Mine related assets and were as follows at December 31:

	2024	2023
Mine closing fund investments	$ 125,655	$ 108,186
Prepaid coal royalties	18,097	19,121
Notes receivable and mine financing costs	7,673	7,065
	$ 151,425	$ 134,372

9. DERIVATIVE FINANCIAL INSTRUMENTS

Normal operations expose Basin Electric to risks associated with changes in the market price of certain commodities. Basin Electric entered into derivative financial instruments for the purpose of mitigating the risks associated with market price volatility of natural gas, tar oil, urea, electricity and diesel. Any changes in cash flows from the underlying purchases and sales that are indexed to certain prices are offset by corresponding changes in the cash flows from the derivatives. As directed by a Basin Electric Board of Director's policy (Board Policy) to monitor risk and establish an internal control framework, Basin Electric maintains a Risk Management Steering Committee (RMSC) that is governed by a Commodity Risk Management Manual (Manual). The Board Policy prohibits speculation and the Manual has been adopted by the RMSC. In offsetting market risk, Basin Electric, is exposed to other forms of incremental risk such as credit or liquidity risk.

The following table presents the outstanding hedged forecasted transactions as of December 31, 2024:

Hedged Transaction	Term	Contracted Monthly Volumes of Forecasted Transactions	Price
Natural gas sales	Through March 2025	2% to 11%	$4.57 - $6.01 per dekatherm
Natural gas purchases	Through December 2029	15% to 53%	$2.75 - $6.51 per dekatherm
Tar oil sales	Through December 2026	31% to 70%	$57.50 - $70.15 per barrel
Electricity sales	Through December 2025	0% to 24%	$51.10 - $94.50 per MWh
Electricity purchases	Through December 2026	15% to 100%	$36.40 - $57.40 per MWh
Diesel purchases	Through September 2027	28% to 76%	$2.20 - $2.60 per gallon

Basin Electric is also exposed to interest rate risk. To mitigate this risk, Basin Electric entered into various interest rate swap agreements to reduce the impact of changes in interest rates on certain variable rate long-term bonds. The following table presents the outstanding swap agreements on variable rate bonds as of December 31, 2024:

Notional Amount	Due	Effective Interest Rate
$ 100,000	2032	6.18%
$ 50,000	2032	4.95%
$ 50,000	2030	5.33%

The fair value and classification of the asset and liability portion of the derivative instruments in the Consolidated Balance Sheets is as follows at December 31:

	2024		2023	
Balance Sheet Location	Fair Value of Asset Derivatives	Fair Value of Liability Derivatives	Fair Value of Asset Derivatives	Fair Value of Liability Derivatives
Derivatives designated as cash flow hedges:				
Commodity derivatives:				
Prepayments and other current assets	$ 683	$ -	$ 5,304	$ -
Other investments	745	-	1,651	-
Taxes and other current liabilities	-	(1,092)	-	(1,056)
Other deferred credits, taxes and other liabilities	-	(1,006)	-	(446)
Total derivatives designated as cash flow hedges	$ 1,428	$ (2,098)	$ 6,955	$ (1,502)
Derivatives not designated as cash flow hedges:				
Commodity derivatives:				
Prepayments and other current assets	$ 32,291	$ -	$ 93,359	$ -
Other investments	841	-	24,125	-
Taxes and other current liabilities	-	(10,298)	-	(28,277)
Other deferred credits, taxes and other liabilities	-	(6,507)	-	(9,343)
Interest rate derivatives:				
Other deferred credits, taxes and other liabilities	-	(18,351)	-	(28,811)
Total derivatives not designated as cash flow hedges	$ 33,132	$ (35,156)	$ 117,484	$ (66,431)
	$ 34,560	$ (37,254)	$ 124,439	$ (67,933)

Under ASC 980, Basin Electric's Board of Directors defers changes in the fair value of certain derivative instruments as regulatory assets or liabilities. Current settlements of derivatives, including interest rate swaps and commodity derivatives, resulted in charges (credits) to the Consolidated Statements of Operations for the years ended December 31, 2024 and 2023 of $61,022 and $84,241, which are reclassified from regulatory assets and liabilities.

The change in fair value of derivatives deferred as a regulatory item for the years ended December 31, 2024 and 2023 resulted in net deferred losses of $(10,697) and $(63,798).

For derivative instruments that are designated and qualify as a cash flow hedge under ASC 815, the gain or loss on the derivative instrument is reported as a component of other comprehensive income (loss) and reclassified into net earnings in the same period or periods during which the hedged transaction affects net margin and earnings and is presented in the same line item on the Consolidated Statements of Operations as the net earnings effect of the hedged item.

The following table summarizes Dakota Gas and Dakota Coal gains and losses and financial statement classification of the derivatives designated as cash flow hedges as of December 31, 2024. This does not reflect the expected gains or losses arising from the underlying physical transactions; therefore it is not indicative of the economic gross profit or loss realized when the underlying physical and financial transactions were settled.

	Location of Gain (Loss) Recognized in Net Loss on Cash Flow Hedging Relationships		
	2024		
	Synthetic Gas	Byproducts, Coproduct and Other	Other Operating Expenses
Total amounts of income and expense line items presented on the Consolidated Statements of Operations in which the effects of cash flow hedges are recorded	$ 79,433	$ 327,621	$ 720,824
Gain (loss) on cash flow hedges:			
Commodity derivatives:			
Amount reclassified from accumulated other comprehensive income into net margins and earnings	$ 3,507	$ 302	$ (950)

The following table summarizes Dakota Gas and Dakota Coal gains and losses and financial statement classification of the derivatives designated as cash flow hedges as of December 31, 2023.

	Location of Gain Recognized in Net Loss on Cash Flow Hedging Relationships		
	2023		
	Synthetic Gas	Byproducts, Coproduct and Other	Other Operating Expenses
Total amounts of income and expense line items presented on the Consolidated Statements of Operations in which the effects of cash flow hedges are recorded	$ 129,028	$ 339,787	$ 694,464
Gain on cash flow hedges:			
Commodity derivatives:			
Amount reclassified from accumulated other comprehensive income into net margins and earnings	$ 23,657	$ 5,753	$ 767

The following table summarizes the gains and losses arising from hedging transactions that were recognized as a component of other comprehensive income (loss) for the years ended December 31, 2024 and 2023.

	2024	2023
Increase (decrease) in fair value of commodity derivatives	$ (3,264)	$ 17,387
Recognition of gains in earnings due to settlements on commodity derivatives	(2,859)	(30,177)
Total other comprehensive loss from hedging	$ (6,123)	$ (12,790)

Based on December 31, 2024 prices, a $408 loss would be realized, reported in pre-tax earnings and reclassified from Accumulated other comprehensive income during the next 12 months. As market prices fluctuate, estimated and actual realized gains or losses will change during future periods.

There are certain commodity derivative financial instruments that do not meet the criteria for hedge accounting under ASC 815 when using the critical terms match effectiveness assessment. For those derivatives, gains or losses are recorded in the Consolidated Statements of Operations. The following table summarizes the impact of commodity derivatives that do not meet the criteria. This does not reflect the expected gains or losses arising from the underlying physical transactions; therefore it is not indicative of the economic gross profit or loss realized when the underlying physical and financial transactions were settled.

Location of Gain (Loss) on Derivatives Recognized in Net Margin and Earnings	2024 Recognized Loss	2023 Recognized Gain (Loss)
Derivatives not designated as cash flow hedges:		
Commodity derivatives:		
Synthetic gas	$ -	$ (1,924)
Byproducts, coproduct and other	(2,042)	612
Total	$ (2,042)	$ (1,312)

10. REGULATORY ASSETS AND LIABILITIES

Regulatory assets and liabilities were as follows at December 31:

	Remaining Recovery Period	2024	2023
Regulatory assets:			
Deferred income taxes	Over Plant lives	$ 155,660	$ 133,515
Refinancing fees	Up to 25 years	86,297	92,470
Unrealized loss on interest rate swaps	Up to 8 years	17,385	27,845
Unrealized loss on commodity derivatives	Up to 5 years	10,283	37,620
Other	Up to 51 years	25,532	13,585
		$ 295,157	$ 305,035
Regulatory liabilities:			
Deferred revenue		(290,000)	(350,000)
Unrealized gain on purchase power contracts		(100)	(48,594)
Unrealized gain on equity investments		(15,696)	(10,181)
Post-retirement medical gain		(16,389)	(15,579)
Other		(15,056)	(13,076)
		(337,241)	(437,430)
Net regulatory lliabilities		$ (42,084)	$ (132,395)

If all or a separable portion of Basin Electric's operations no longer are subject to the provisions of ASC 980, a write-off of net related regulatory assets (liabilities) would be required, unless some form of transition recovery (refund) continues through rates established and collected for Basin Electric's remaining regulated operations. In addition, Basin Electric would be required to determine any impairment to the carrying costs of deregulated plant and inventory assets.

11. EQUITY

ACCUMULATED OTHER COMPREHENSIVE INCOME — The following table includes the changes in the balances of the components of Accumulated other comprehensive income on the Consolidated Balance Sheets:

	Post Employment Benefit Plans	Unrealized Gain on Securities	Unrealized Loss on Cash Flow Hedges	Total
Balance, December 31, 2022	$ (1,525)	$ (3,813)	$ 14,413	$ 9,075
Comprehensive income (loss)	4,010	2,756	(10,103)	(3,337)
Balance, December 31, 2023	2,485	(1,057)	4,310	5,738
Comprehensive income (loss)	2,826	1,079	(4,837)	(932)
Balance, December 31, 2024	$ 5,311	$ 22	$ (527)	$ 4,806

OTHER EQUITY — From November 1981 through August 1983, Basin Electric sold approximately $894,000 of electric plant under sale and leaseback agreements in exchange for $310,000 in cash and $584,000 in notes. Annual lease payments are equal to the payments the purchaser is required to make on its notes to Basin Electric. The sale and lease transactions have not been recognized for financial reporting purposes, as such transactions were entered into solely for tax purposes under the Economic Recovery Tax Act of 1981 and the Tax Equity and Fiscal Responsibility Act of 1982 and do not affect Basin Electric's rights with respect to the property. The $310,000, net of expenses of $28,000, was reserved in Other equity.

Beginning in March 2001, Basin Electric allocated its before tax margin to members and recorded any provision for or benefit from income taxes in Other equity. In 2024 and 2023, $1,304 and $59,931 of net income tax expense was closed into Other equity. As of December 31, 2024, $11,823 of cumulative net income tax benefit was closed into Other equity.

12. LONG-TERM DEBT AND OTHER FINANCING

Outstanding long-term debt was as follows at December 31:

	Due Date	Weighted Average Interest Rate at December 31, 2024	December 31, 2024	December 31, 2023
Basin Electric Power Cooperative				
First Mortgage Bonds				
2006 Series	June 2041	6.13%	$ 200,000	$ 200,000
2017 Series	April 2047	4.75%	500,000	500,000
			700,000	700,000
First Mortgage Obligations				
2005 Series	Dec. 2028-May 2030	5.85%	90,000	90,000
2007 Series	Sep. 2042	5.73%	225,216	235,220
2008 Series	Dec. 2028-Dec. 2038	6.18%	429,333	445,278
2009 Series	Oct. 2027-April 2040	5.43%	143,333	154,445
2011 Series	Oct. 2031-Oct. 2049	4.49%	223,745	238,810
2012 Series	Nov. 2044	4.07%	76,489	78,929
2015 Series	June 2027-June 2044	4.47%	1,427,590	1,494,320
2016 CoBank Note	April 2046	4.48%	71,667	75,000
2016 CFC Note	April 2046	3.74%	53,571	56,723
2022 Series	Feb. 2042-Feb. 2062	3.00%	276,810	276,810
2024 CoBank Note	Nov. 2034	6.11%	100,000	-
2024 Series	Feb. 2029-Feb. 2054	6.22%	363,508	-
2007 & 2008 Notes	June 2027-Dec. 2028	5.11%	6,750	8,750
2023 Note	Oct. 2043	5.56%	76,000	80,000
			3,564,012	3,234,285
Equipment Notes	Dec. 2035	5.81%	9,600	-
2019 Solid Waste Facilities Revenue Bonds	July 2039	3.63%	150,000	150,000
Notes payable to affiliates	Sep. 2026	5.43%	4,400	3,148
			164,000	153,148
Dakota Coal				
Equipment notes	Jan. 2025-July 2036	4.83%	78,523	51,120
Dakota Gasification Company				
Senior Secured Notes 2015 Series	May 2030-May 2045	4.11%	289,066	350,755
Other		Various	12,568	13,753
			380,157	415,628
			4,808,169	4,503,061
Less:				
Current portion			(193,198)	(171,134)
Unamortized debt issue costs			(26,598)	(26,427)
Long-term debt, net of current portion			$ 4,588,373	$ 4,305,500

The estimated fair value of debt at December 31, 2024 and 2023 was $4,506,387 and $4,115,881, based on cash flows discounted at interest rates for similar issues or at the current rates offered to Basin Electric for debt of comparable maturities.

The scheduled maturities of long-term debt for the next five years at December 31, 2024 are as follows:

	2025	2026	2027	2028	2029
Long-term debt	$ 193,198	$ 207,335	$ 211,717	$ 179,204	$ 224,213

All of Basin Electric's long-term debt is secured under the Amended and Restated Indenture dated May 5, 2015 (the "Indenture"), between Basin Electric and U.S. Bank National Association, as trustee. Pursuant to the Indenture, Basin Electric created a first lien on substantially all of its tangible and certain of its intangible assets in favor of the Indenture trustee to secure certain long-term debt on a pro-rata basis.

Basin Electric's and its subsidiaries' debt agreements contain various restrictive financial and non-financial covenants which, among other matters, require Basin Electric to maintain a defined margins for interest ratio. Dakota Gas is also required to maintain a minimum equity balance. As of December 31, 2024 Basin Electric and its subsidiaries are in compliance with all financial covenants related to the debt agreements.

All of Dakota Gas' long-term debt is secured under an Indenture dated as of May 1, 2015 between Dakota Gas and U.S. Bank, N.A., as trustee. Dakota Gas' long-term debt is also supported by an unsecured Guarantee dated as of May 8, 2015 by Basin Electric, its parent, in favor of U.S. Bank National Association, as Trustee.

In order to invest in DCS and effectuate the contribution of the assets to DCS, Dakota Gas was required to receive consent and waiver of certain conditions in its Indenture from the noteholders of the senior secured notes. As a part of the consent and waiver from the noteholders, Dakota Gas made a prepayment on the notes in the amount of $34.1 million in March 2024.

NOTES PAYABLE — Basin Electric and Dakota Gas have outstanding revolving credit facilities which are included in Notes payable on the Consolidated Balance Sheets as follows:

Facility	Expiration Date	Total Availability	Outstanding Amounts as of December 31, 2024
Commercial Paper/Revolving Credit Agreement (a)	March 2026	$ 130,000	$ 100,000
Commercial Paper/Revolving Credit Agreement (a) (b)	Aug. 2027	$ 500,000	-
Revolving Credit Agreement	Sep. 2026	$ 500,000	-
Revolving Credit Agreement	June 2026	$ 100,000	100,000
		$ 1,230,000	$ 200,000

(a) The taxable and tax-exempt commercial paper programs are supported by revolving credit agreements with various banks. Balances reflect commercial paper amounts outstanding. There were no amounts outstanding under the revolving credit agreements.

(b) Certain provisions allow for increased borrowings, up to a maximum of $600 million.

As of December 31, 2024, the effective interest rate of the outstanding advances is 4.73%.

MEMBER INVESTMENT PROGRAM — Basin Electric holds notes related to funds invested by the members under a member investment program. These funds are used by Basin Electric to reduce short-term borrowings. The members receive investment earnings based on market rates, adjusted for administrative costs. The notes held as part of this program were as follows at December 31:

	2024	2023
Long-term debt, net of current portion	$ 4,400	$ 3,148
Notes payable-affiliates	142,390	238,370
	$ 146,790	$ 241,518

13. REVENUE

The following table disaggregates revenue by major source for the year ended December 31.

	2024		2023	
	Utility Operations	Nonutility Operations	Utility Operations	Nonutility Operations
Member wholesale electricity sales	$ 1,995,959	$ -	$ 1,926,214	$ -
Nonmember wholesale electricity sales	205,762	-	257,953	-
Synthetic natural gas	-	75,926	-	107,295
Fertilizer and DEF products	-	227,748	-	235,260
Other byproducts	-	75,566	-	72,131
Lignite coal	-	234,253	-	218,544
Miscellaneous	6,500	26,047	7,563	26,031
Intercompany revenue	-	(96,740)	-	(79,779)
Revenue from contracts with customers	$ 2,208,221	$ 542,800	$ 2,191,730	$ 579,482
Regulatory deferred revenue recognized	60,000	-	65,000	-
Other revenue	2,611	1,767	22,808	28,098
Total operating revenue	$ 2,270,832	$ 544,567	$ 2,279,538	$ 607,580

NET DEFERRED REVENUE AND OTHER REVENUE — Revenue from nonmember wholesale electricity sales of $60,000 and $65,000 that was previously deferred was recognized in 2024 and 2023, by Basin Electric's Board of Directors, in its capacity as regulator. This deferred revenue is accounted for under ASC 980. Other revenue includes derivative revenue from hedging activities for synthetic natural gas, tar oil, urea, and electricity sales which is accounted for under ASC 815.

CONTRACT BALANCES — At times, Basin Electric and its subsidiaries will receive payment in advance of performing an obligation under a contract. Unearned revenue, a contract liability, is recognized when this occurs. At December 31, 2024 and 2023, the unearned revenue balance (included in Taxes and other current liabilities on the Consolidated Balance Sheets) was $301 and $2,213. There were no contract assets at December 31, 2024 and 2023. The balances in Customer accounts receivable and other receivables on the Consolidated Balance Sheets represent the unconditional right to consideration from customers.

14. INCOME TAXES

Basin Electric is a nonexempt cooperative subject to federal and state income taxation, but as a cooperative is allowed to exclude from income margins allocated as patronage capital. Basin Electric and its subsidiaries (the Consolidated Group) file a consolidated income tax return and have entered into tax-sharing agreements. Income taxes are allocated among members of the Consolidated Group based on a systematic, rational and consistent method under which such taxes approximate the amount that would have been computed on a separate company basis, subject to limitations on the Consolidated Group.

The components of Basin Electric's Income tax benefit were as follows for the years ended December 31:

	2024	2023
Current tax expense (benefit)	$ (1,073)	$ 2,859
Deferred tax benefit	(15,564)	(12,725)
Income tax benefit	$ (16,637)	$ (9,866)

The tax sharing agreement between Basin Electric and Dakota Gas requires reimbursement for the usage of net operating losses and other tax attributes. Current tax benefit of $4,319 was attributable to Basin Electric's reduction of the utilization of Dakota Gas' net operating losses to offset other taxable income. At December 31, 2024, Basin Electric had a receivable from Dakota Gas in the amount of $4,319 for a reduction of the utilization of net operating losses which is included in current tax expense. The tax effect of significant temporary differences representing deferred tax assets and liabilities were as follows at December 31:

	2024	2023
Deferred tax assets:		
Prepayment & installment payments	$ 58,188	$ -
Patronage loss	24,439	10,485
Lease obligation	25,998	28,220
Deferred revenue	60,900	73,500
Deferred credits	17,374	17,163
Tax credits available	15,391	19,035
Interest expense carryover	35,883	34,452
Mine related	15,378	13,549
Net operating loss carryforward	71,946	97,192
Other deferred tax assets	19,623	12,290
Valuation allowance	(25,766)	(15,999)
Total deferred tax assets	319,354	289,887
Deferred tax liabilities:		
Depreciation and property	(299,590)	(278,158)
Tax benefit transfer leases	(23,434)	(14,457)
Right-of-use lease asset	(25,989)	(28,208)
Patronage capital	(5,361)	(6,795)
Debt refinancing expense	(14,318)	(15,392)
Direct financing leases	(12,835)	(12,694)
Other deferred tax liabilities	(9,327)	(4,552)
Unrealized gains	(10,508)	(10,165)
Total deferred tax liability	(401,362)	(370,421)
Net deferred tax liability	$ (82,008)	$ (80,534)

The net deferred tax liability is recorded in Other deferred credits, taxes and other liabilities on the Consolidated Balance Sheets. Deferred taxes have been provided for temporary income tax differences associated with utility operations with an offsetting amount recorded as a regulatory asset as such amounts are expected to be recovered through rates charged to members at such time as the Board of Directors, in its capacity as regulator, deems appropriate.

Income taxes differ from the Income tax benefit computed using the statutory rate for the years ended December 31 as follows:

	2024	2023
Computed income tax at statutory rate	$ 21,869	$ 28,907
Permanent differences:		
Patronage capital allocated	(24,457)	(31,770)
Other, net	(266)	(881)
Change in regulatory asset associated with deferred taxes	(20,974)	(11,958)
Increase in valuation allowance for subsidiaries	7,517	1,619
Other	(115)	4,607
State income taxes	(211)	(390)
Income tax benefit	$ (16,637)	$ (9,866)

Basin Electric had available federal and state research and carbon sequestration tax credit carryforwards of approximately $15,391. The research tax credits expire in varying amounts from 2025 through 2039 and the carbon sequestration credits generated in 2024 expire in 2044. Basin Electric has a consolidated net operating loss carryforward as of December 31, 2024 of $342,601, and a patron net operating loss of $116,377. The losses are carried forward indefinitely.

It is more likely than not that the benefit from certain federal and state net operating losses and federal and state tax credits will not be fully realized. In recognition of this risk, Basin Electric recorded a partial valuation allowance on the related deferred tax assets.

Basin Electric has a federal interest expense carryforward of $170,871 as of December 31, 2024. The interest expense is carried forward indefinitely. As it is unlikely the benefit from the interest expense carryforward will be fully realized, Basin Electric recorded a partial valuation allowance on the related deferred tax asset.

In accordance with the provisions of ASC 740, *Income Taxes*, Basin Electric records a liability for unrecognized tax benefits. A reconciliation of the beginning and ending amount of the liability for unrecognized tax benefits is as follows:

	2024	2023
Balance at January 1	$ 6,392	$ 6,638
Addition for tax positions of current period	5	-
Reduction for tax positions of prior periods	(451)	(246)
Balance at December 31	$ 5,946	$ 6,392

Basin Electric recognizes interest and penalties related to unrecognized tax benefits, if any, in the respective interest and penalties expense accounts and not in the Income tax benefit on the Consolidated Statements of Operations. There are no amounts of unrecognized tax benefits that are expected to significantly change within the next 12 months.

Basin Electric completed examinations by the Internal Revenue Service (IRS) through 2010. Management does not believe future settlements with the IRS will be material to Basin Electric's financial position. As of December 31, 2024, with limited exceptions, Basin Electric is no longer subject to examinations by taxing authorities for tax years prior to 2021 for federal and prior to 2020 for most states and for Canadian taxing authorities.

15. ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

Level 1 inputs utilize observable market data in active markets for identical assets or liabilities. Level 2 inputs consist of observable market data, other than that included in Level 1, that is either directly or indirectly observable. Level 3 inputs consist of unobservable market data which are typically based on an entity's own assumptions of what a market participant would use in pricing an asset or liability as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. Basin Electric's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

On December 31, 2024 and 2023, Basin Electric had government obligations, equity securities, bond market funds and corporate bonds included in Restricted and designated investments, Mine related assets and Other investments, recorded at a fair value, using quoted prices in active markets for identical assets as the fair value measurement (Level 1).

Basin Electric recorded derivative financial instruments including commodity contracts and interest rate swaps using significant other observable inputs as the fair value measurement (Level 2). The fair value for commodity contracts is determined by comparing the difference between the net present value of the cash flows for the commodity contracts at their initial price and the current market price. The initial price is quoted in the commodity contract and the current market price is corroborated by observable market data. The fair value for interest rate swap contracts is determined by comparing the difference between the net present value of the cash flows for the swaps at their initial fixed rate and the current market interest rate. The initial fixed rate is quoted in the swap agreement and the current market interest rate is corroborated by observable market data.

The following table summarizes assets and liabilities measured at fair value on a recurring basis as of December 31, 2024, aggregated by the level in the fair value hierarchy within which those measurements fall:

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments:				
Equities and equity funds	$ 120,596	$ 120,596	$ -	$ -
Government securities	96,763	96,763	-	-
Bond market funds	57,582	57,582	-	-
Corporate bonds	20,330	20,330	-	-
	295,271	295,271	-	-
Commodity derivatives	34,560	-	34,560	-
	$ 329,831	$ -	$ 34,560	$ -
Liabilities:				
Interest rate swaps	$ 18,351	$ -	$ 18,351	$ -
Commodity derivatives	18,903	-	18,903	-
	$ 37,254	$ -	$ 37,254	$ -

The following table summarizes assets and liabilities measured at fair value on a recurring basis as of December 31, 2023, aggregated by the level in the fair value hierarchy within which those measurements fall:

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments:				
Equities and equity funds	$ 96,312	$ 96,312	$ -	$ -
Government securities	66,217	66,217	-	-
Bond market funds	56,637	56,637	-	-
Foreign corporate bonds	49,385	49,385	-	-
	268,551	268,551	-	-
Commodity derivatives	124,439	-	124,439	-
	$ 392,990	$ 268,551	$ 124,439	$ -
Liabilities:				
Interest rate swaps	$ 28,811	$ -	$ 28,811	$ -
Commodity derivatives	39,122	-	39,122	-
	$ 67,933	$ -	$ 67,933	$ -

16. EMPLOYEE BENEFIT PLANS

POSTRETIREMENT BENEFITS — Employees of Basin Electric, Dakota Gas, and MLC retiring at or after attaining age 55 and completing five years of service may elect to continue medical and dental benefits by paying premiums to Basin Electric, Dakota Gas or MLC for participating in the current employee plan, subject to deductible, coinsurance and copayment provisions. Eligible dependents of retired employees continue to receive benefits after the death of the former employee, with certain limitations. Participation in Basin Electric's, Dakota Gas' or MLC's medical plan can continue until the retiree or spouse becomes eligible for Medicare. Once a retiree becomes eligible for Medicare, the spouse may continue under each of the plans until the spouse becomes eligible for Medicare. Basin Electric, Dakota Gas, and MLC reserve the right to change or terminate these benefits at any time. Employees age 60 and over who chose to participate in an enhanced voluntary separation plan in 2018 will receive the benefit of two years of a Medicare supplement plan when reaching age 65.

Basin Electric, Dakota Gas and MLC fund postretirement medical benefits from general funds, and in 2024 and 2023 funding was $2,226 and $2,379.

Coteau also maintains medical care and life insurance plans which provide benefits to eligible retired employees.

The following sets forth the changes in the postretirement benefit obligation and plan assets during the year and amounts recognized in the Consolidated Balance Sheets, as of December 31:

	Basin Electric and Subsidiaries		Coteau	
	2024	2023	2024	2023
Change in postretirement benefit obligation:				
Balance at January 1	$ 24,061	$ 21,048	$ 2,021	$ 2,282
Service cost	1,168	1,182	22	27
Interest cost	934	1,202	92	112
Actuarial (gain) loss	(1,021)	2,420	(710)	(156)
Assumption changes	(970)	588	-	-
Benefit payments	(6,924)	(7,627)	(105)	(244)
Plan participant contributions	4,699	5,248	-	-
Balance at December 31	$ 21,947	$ 24,061	$ 1,320	$ 2,021
Change in plan assets:				
Fair value of plan assets at beginning of year	$ -	$ -	$ -	$ -
Employer contributions	2,225	2,379	105	244
Plan participant contributions	4,699	5,248	-	-
Benefit payments	(6,924)	(7,627)	(105)	(244)
Fair value of plan assets at end of year	$ -	$ -	$ -	$ -
As of December 31, the funded status of the plan was:				
Postretirement benefit liability	$ 21,947	$ 24,061	$ 1,320	$ 2,021
Amounts recognized in the balance sheets are:				
Taxes and other current liabilities	$ 1,991	$ 2,155	$ 218	$ 398
Other deferred credits, taxes and other liabilities	19,956	21,906	1,102	1,623
Net amount recognized	$ 21,947	$ 24,061	$ 1,320	$ 2,021

	Basin Electric and Subsidiaries		Coteau	
	2024	2023	2024	2023
Amounts not yet reflected in periodic postretirement benefit expense and included in Accumulated other comprehensive income and Regulatory liabilities:				
Prior service cost	$ (538)	$ (771)	$ -	$ -
Actuarial gain	23,909	23,757	3,103	3,055
Accumulated other comprehensive income and Regulatory liabilities	$ 23,371	$ 22,986	$ 3,103	$ 3,055

Net periodic postretirement benefit expense (income) for the years ended December 31, 2024 and 2023 for Basin Electric and subsidiaries was $497 and $1,008, and for Coteau was $(548) and $(822).

	Basin Electric and Subsidiaries		Coteau	
	2024	2023	2024	2023
Other changes recognized in Other comprehensive income (loss) and Regulatory liabilities:				
Net (gain) loss arising during the period	$ (1,990)	$ 3,008	$ (710)	$ (156)
Amortization of prior service (cost) credit	(233)	(232)	-	139
Amortization of actuarial gain	1,838	1,608	662	822
Total recognized in Other comprehensive income (loss) and Regulatory liabilities	$ (385)	$ 4,384	$ (48)	$ 805

Assumptions used in accounting for the postretirement benefit obligations were as follows for the years ended December 31:

	Basin Electric and Subsidiaries		Coteau	
	2024	2023	2024	2023
Weighted-average discount rates	5.62%	5.14%	5.26%	4.98%
Initial health care cost trend rate	6.74%	7.37%	6.50%	6.50%
Ultimate health care cost trend rate	4.00%	4.00%	4.75%	4.75%
Year that the rate reaches the ultimate trend rate	2048	2048	2033	2033

Assumptions used to determine net periodic postretirement benefit expense (income) were as follows for the years ended December 31:

	Basin Electric and Subsidiaries		Coteau	
	2024	2023	2024	2023
Weighted-average discount rates	5.14%	5.42%	4.98%	5.29%
Initial health care cost trend rate	7.37%	8.00%	6.50%	6.25%
Ultimate health care cost trend rate	4.00%	4.00%	4.75%	4.75%
Year that the rate reaches the ultimate trend rate	2048	2048	2033	2029

Basin Electric and its subsidiaries and Coteau expect to make contributions of $1,991 and $219 in 2024 to their postretirement benefit plans.

The following are the expected future benefits to be paid:

	Basin Electric and Subsidiaries	Coteau
2025	$ 1,991	$ 219
2026	$ 2,110	$ 179
2027	$ 2,137	$ 173
2028	$ 2,056	$ 162
2029	$ 2,006	$ 127
2030-2034	$ 9,039	$ 606

DEFINED BENEFIT PLANS

NRECA RS PLAN – Pension benefits for Basin Electric and Dakota Gas employees participating in the pension plan are provided through participation in the National Rural Electric Cooperative Association (NRECA) Retirement Security Plan (RS Plan) which is a defined benefit pension plan qualified under Section 401 and tax-exempt under Section 501(a) of the Internal Revenue code. It is a multiemployer plan under GAAP.

A unique characteristic of a multiemployer plan compared to a single employer plan is that all plan assets are available to pay benefits of any plan participant. Separate asset accounts are not maintained for participating employers. This means that assets contributed by one employer may be used to provide benefits to employees of other participating employers.

Basin Electric and Dakota Gas contributions to the RS Plan in 2024 and in 2023 represented less than 5 percent of the total contributions made to the RS Plan by all participating employers. Pension costs charged to expense during 2024 and 2023 were $36,813 and $36,026.

In the RS Plan, a "zone status" determination is not required, and therefore not determined, under the Pension Protection Act of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the RS Plan was over 80 percent funded at January 1, 2024 and 2023.

Future contribution requirements are determined each year as part of the actuarial valuation of the plan and may change as a result of plan experience.

BCS AND COTEAU PLANS – BCS's former United Mine Workers of America employees are covered under a defined benefit plan which is funded by BCS.

Substantially all of Coteau's salaried employees hired prior to January 1, 2000, participate in the Coteau Pension Plan (the Plan), a noncontributory defined benefit plan sponsored by NACoal. Benefits under the defined benefit pension plan are based on years of service and average compensation during certain periods. The Plan benefits were frozen effective December 31, 2013. Employees whose benefits were frozen subsequently receive retirement benefits under defined contribution plans.

The following sets forth the changes in the pension benefit obligation and plan assets during the year and amounts recognized in the Consolidated Balance Sheets as of December 31:

	BCS		Coteau	
	2024	2023	2024	2023
Change in pension benefit obligation:				
Balance at January 1	$ 2,800	$ 2,925	$ 72,754	$ 72,428
Interest cost	124	135	3,545	3,773
Actuarial (gain) loss	(70)	23	(2,332)	2,234
Benefits payments	(278)	(283)	(6,022)	(5,681)
Balance at December 31	$ 2,576	$ 2,800	$ 67,945	$ 72,754
Change in plan assets:				
Fair value of plan assets at beginning of year	$ 2,906	$ 2,848	$ 93,365	$ 85,249
Actual return on plan assets	220	341	7,329	13,797
Employer contributions	-	-	-	-
Benefits payments	(278)	(283)	(6,022)	(5,681)
Fair value of plan assets at end of year	$ 2,848	$ 2,906	$ 94,672	$ 93,365
As of December 31, the funded status of the plan was:				
Fair value of plan assets	$ 2,848	$ 2,906	$ 94,672	$ 93,365
Accumulated postretirement benefit liability	2,576	2,800	67,945	72,754
Funded status – over	$ 272	$ 106	$ 26,727	$ 20,611
Amounts recognized in the balance sheets are:				
Other investments and Special funds	$ 272	$ 106	$ 26,727	$ 20,611
Other deferred credits, taxes and other liabilities	$ -	$ -	$ -	$ -
Amounts not yet reflected in periodic postretirement benefit expense and included in Accumulated other comprehensive income:				
Actuarial loss	$ (837)	$ (1,052)	$ (2,285)	$ (5,229)
Accumulated other comprehensive loss	$ (837)	$ (1,052)	$ (2,285)	$ (5,229)

Net periodic pension expense (income) for the years ended December 31, 2024 and 2023 for BCS was $49 and $83 and for Coteau was $(3,172) and $(3,021).

	BCS		Coteau	
	2024	2023	2024	2023
Other changes recognized in Other comprehensive income (loss):				
Net gain arising during the period	$ (152)	$ (184)	$ (2,944)	$ (4,769)
Amortization of actuarial loss	(63)	(83)	-	-
Total recognized in Other comprehensive income (loss)	$ (215)	$ (267)	$ (2,944)	$ (4,769)

Assumptions used to account for the pension benefit obligation were as follows for the years ended December 31:

	BCS		Coteau	
	2024	2023	2024	2023
Weighted average discount rate	5.27%	4.65%	5.56%	5.07%

The assumptions used to determine net periodic pension expense were as follows for the years ended December 31:

	BCS		Coteau	
	2024	2023	2024	2023
Weighted average discount rate	4.65%	4.85%	5.07%	5.41%
Expected return on plan assets	5.00%	5.00%	7.00%	7.00%

BCS and Coteau do not expect to make any contributions in 2024 to their defined benefit plans. The following are the expected future benefit payments for the BCS Plan and the Coteau Pension Plan:

	BCS	Coteau
2025	$ 270	$ 5,958
2026	$ 263	$ 5,884
2027	$ 256	$ 5,690
2028	$ 248	$ 5,520
2029	$ 240	$ 5,416
2030-2034	$ 1,056	$ 25,954

The expected long-term rate of return on the Plan assets reflects the expectations of NACCO with respect to long-term rates of return on funds invested to provide for benefits included in the projected benefit obligations. NACCO has established the expected long-term rate of return assumption for the Plan assets by considering historical rates of return over a period of time that is consistent with the long-term nature of the underlying obligations of the Plan. The historical rates of return for each of the asset classes used to determine its estimated rate of return assumption were based upon the rates of return earned by investments in the equivalent benchmark market indices for each of the asset classes.

The Plan maintains an investment policy that, among other things, establishes a portfolio asset allocation methodology with percentage allocation bands for individual asset classes. The investment policy further divides investments in equity securities among U.S. and non-U.S. companies. The investment policy provides that investments are reallocated between asset classes as balances exceed or fall below the appropriate allocation bands

The following is the actual and target allocation percentages for the Plan and BCS Plan assets at December 31, 2024:

	BCS		Coteau	
	Actual Allocation	Target Allocation	Actual Allocation	Target Allocation
Fixed income securities	59.3%	60.0%	99.4%	80.0% – 90.0%
Equity securities	38.7%	37.0%	0.0%	0.0%
Other	2.0%	3.0%	0.6%	0.0% – 10.0%
	100.0%		100.0%	

BCS Plan assets are invested with a trust that is responsible for maintaining an appropriate investment ratio in common stocks, long-term corporate bonds and money market funds.

DEFINED CONTRIBUTION PLANS — Basin Electric, Dakota Gas and MLC have qualified tax deferred savings plans for eligible employees. Eligible participants of the tax deferred savings plans may make pre-tax and post-tax contributions, as defined, with Basin Electric, Dakota Gas and MLC matching various percentages of the participants' annual compensation. Contributions to these plans by Basin Electric, Dakota Gas, and MLC were $15,030 and $13,136 for 2024 and 2023.

For employees hired after December 31, 1999, Coteau established a defined contribution plan which requires Coteau to make retirement contributions based on a formula using age and salary as components of the calculation. Employees are vested at a rate of 20 percent for each year of service and are 100 percent vested after five years of employment. Coteau recorded contribution expense of approximately $3,451 and $3,251 related to this plan in 2024 and 2023.

Substantially all of Coteau's salaried employees also participate in a defined contribution plan sponsored by NACoal. Employee contributions are matched by Coteau up to a limit of 5 percent of the employee's salary. Coteau's contributions to this plan were approximately $3,211 and $2,747 in 2024 and 2023.

Under the provisions of the lignite sales agreement between Dakota Coal and Coteau, retirement related costs are recovered as a cost of coal as tonnage is sold.

17. OTHER DEFERRED CREDITS, TAXES AND OTHER LIABILITIES

Other deferred credits, taxes and other liabilities were as follows at December 31:

	2024	2023
Asset retirement obligations	$ 216,721	$ 214,666
Unearned Income from 45Q transaction	109,372	-
Non-current lease obligation	101,773	112,310
Long-term derivative liability	25,864	38,600
Non-current deferred income tax liability, net	82,008	80,534
Pension and benefit obligations	50,979	54,085
MBPP operating advances	40,207	40,207
Customer advance	20,415	27,659
Other	24,825	23,952
	$ 672,164	$ 592,013

ASSET RETIREMENT OBLIGATIONS — An asset retirement obligation is the result of legal or contractual obligations associated with the retirement of a tangible long-lived asset that results from the acquisition, construction, or development and/or the normal operation of a long-lived asset. Basin Electric and Coteau determine these obligations based on an estimated asset retirement cost adjusted for inflation and projected to the estimated settlement dates, and discounted using a credit-adjusted risk-free interest rate.

A reconciliation of the beginning and ending aggregate carrying amount of the asset retirement obligation included in Other deferred credits, taxes and other liabilities on the Consolidated Balance Sheets is as follows:

	2024	2023
Balance, January 1	$ 214,666	$ 192,709
Additions and revisions	(2,375)	14,876
Accretion expense	12,851	10,761
Liabilities settled	(8,421)	(3,680)
Balance, December 31	$ 216,721	$ 214,666

18. COMMITMENTS AND CONTINGENCIES

POWER PURCHASE COMMITMENTS — Basin Electric entered into various power purchase contracts with terms ranging from one to 51 years. The estimated commitments under these contracts as of December 31, 2024 were $418,273 in 2025, $443,871 in 2026, $436,807 in 2027, $428,000 in 2028, $407,203 in 2029, and $5,975,331 thereafter. Amounts purchased under the contracts totaled $338,464 in 2024 and $317,023 in 2023.

Basin Electric entered into various power purchase agreements with its Class A member, Corn Belt Power Cooperative (Corn Belt), under which Basin Electric buys substantially all of the output from Corn Belt's generation resources at cost through December 2075. Basin Electric also entered into a transmission lease agreement with Corn Belt which expires in December 2075. ASC 810, Consolidation, requires that certain of Corn Belt's generation assets and liabilities associated with the power purchase agreements be consolidated in Basin Electric's Consolidated Balance Sheets. At December 31, 2024 and 2023, the assets and liabilities of Corn Belt included in the Consolidated Balance Sheets totaled $9,846 and $11,251. Basin Electric accounts for the costs associated with these assets and liabilities as operation, maintenance, interest and depreciation expense, rather than purchased power expense.

CONTRACT COMMITMENTS — Basin Electric has outstanding contractual commitments for pipeline transportation totaling $13,170 as of December 31, 2024. Basin Electric also has various other outstanding contractual commitments totaling $787,798 as of December 31, 2024, for various construction projects, equipment purchases, supplies, and for miscellaneous services to be provided.

Coteau has outstanding commitments of $10,463 to purchase equipment and $1,345 committed under various diesel fuel contracts through February 2026.

MINE CLOSING COSTS AND COAL PURCHASE COMMITMENTS — Under the terms of the Coteau Lignite Sales Agreement (Agreement) between Dakota Coal and Coteau, Dakota Coal is obligated to purchase all of its lignite requirements for AVS, the Synfuels Plant and LOS from Coteau, and Coteau is obligated to sell and deliver the required coal to Dakota Coal from contractually defined dedicated coal reserves. The coal purchase price includes all costs incurred by Coteau for development and operation of the dedicated coal reserves and may include costs to be incurred in connection with the Freedom Mine closing. During 2024 and 2023, Dakota Coal paid $246,457 and $234,962 to Coteau for coal purchased under the lignite sales agreement. As a result of applying ASC 810, Coteau is consolidated with Dakota Coal and coal purchases from Coteau are eliminated within the consolidated financial statements.

Under certain federal and state regulations, Coteau is required to reclaim land disturbed as a result of mining. Reclamation of disturbed land is a continuous process throughout the term of the Agreement. Costs of ongoing reclamation are charged to expense in the period incurred and are recovered as a cost of coal as tonnage is sold to Dakota Coal. Costs to complete reclamation after mining is completed in a specific mine area are reimbursed under the Agreement as costs of reclamation are actually incurred.

Coteau accounts for its asset retirement obligations under ASC 410, *Asset Retirement and Environmental Obligations*, which provides accounting requirements for retirement obligations associated with tangible long-lived assets and requires that an asset's retirement cost be capitalized as part of the cost of the related long-lived asset and subsequently allocated to expense using a systematic and rational method.

Coteau's annual costs related to amortization of the asset and accretion of the liability totaled $6,502 and $6,240 in 2024 and 2023.

Dakota Coal has established designated funds for mine closing costs. The Agreement includes provisions whereby, upon expiration of the agreement, Dakota Coal has the option to purchase the outstanding common stock of Coteau for its book value from NACoal. Dakota Coal may exercise this option only if Coteau has not exercised its right to extend the Agreement. NACoal has the option to require Dakota Coal to purchase the outstanding stock of Coteau for its book value in the event all of the plants Dakota Coal presently sells lignite coal to are closed or if lignite coal may no longer be legally mined in North Dakota and Dakota Coal exercises its right to terminate the Agreement with Coteau. Under the current mine plan, mining is anticipated to cease in 2047.

COAL PURCHASE AND FINANCING COMMITMENTS — Basin Electric, on behalf of the MBPP, has executed an agreement with Western Fuels for all coal purchase requirements through the life of LRS, with an option to extend the contract with approval by both parties. The average price of coal under this agreement during 2024 and 2023 was approximately $22.75 and $22.23 per ton.

Basin Electric executed an agreement with Western Fuels for all coal purchase requirements through the life of DFS, with an option to extend the contract with approval by both parties. Coal purchased under this agreement is used at the DFS. The average price of coal purchased under this agreement during 2024 and 2023 was approximately $15.67 and $14.91 per ton.

RECLAMATION GUARANTEES — Basin Electric provides guarantees of certain reclamation obligations of Coteau. These guarantees cover the reclamation of mined areas as required by the State of North Dakota's Public Service Commission (PSC). The bonds are released by the PSC after a period of time (generally ten years after final reclamation is completed) when it has been determined that the mined area has been returned to its original condition. As of December 31, 2024, the aggregated value of these guarantees is $200,000.

Basin Electric guarantees certain reclamation obligations of WFW. Those guarantees cover the reclamation of mined areas as approved by the Wyoming Department of Environmental Quality (WDEQ) with the use of surety bonds. The bonds are released by the WDEQ after a period of time (generally ten years after final reclamation is completed) when it has been determined that the mined area has been returned to its approved post-mining use. As of December 31, 2024, the aggregated value of these guarantees is $31,900.

DISMANTLEMENT COSTS — The county zoning permit requires Dakota Gas to dismantle the Synfuels Plant at such time that operations or other alternative uses approved by the Board of County Commissioners are terminated. Although Dakota Gas has no current plans to cease operations at the plant site, in accordance with ASC 410, Dakota Gas accrues an obligation for the eventual dismantlement and discontinuation of use of the Synfuels Plant.

LEASE INDEMNIFICATIONS — In general, under the terms of Basin Electric's sale and leaseback agreements discussed in Note 11, the lessors are indemnified should certain disqualifying events occur resulting in the recapture of tax credits, accelerated cost recovery deductions and interest deductions. Management believes that if indemnification occurs, there will not be a material adverse effect on Basin Electric's financial position, results of operations or cash flows.

CO_2 SALES COMMITMENTS — Dakota Gas has two contracts involving commitments for the sale of CO_2 for enhanced oil recovery. One of these contracts is to sell and deliver CO_2 from the Synfuels Plant to oil fields located near Weyburn, Saskatchewan. The Weyburn agreement extends through December 2027.

The second CO_2 agreement is to sell and deliver CO_2 from the Synfuels Plant to oil fields located near Midale, Saskatchewan through December 2027.

CARBON CAPTURE AND SEQUESTRATION — In February 2024, Dakota Gas entered into an LLC agreement with an investor in which DCS has been formed to monetize tax credits for the CO_2 it sequesters. Dakota Gas has made certain representations to the investor with respect to the project qualifying for the credits as well as to the level of the credit. Dakota Gas will be liable to indemnify the investor to the extent the tax credits are disqualified or recaptured by the IRS. In February 2024, Dakota Gas procured tax credit insurance for protection of liability under certain conditions. Basin Electric has provided a limited guarantee of Dakota Gas' obligations under the project agreements.

CCR RULE — The 2015 Coal Combustion Residuals Rule (CCR Rule) mandated closure of unlined surface impoundments upon a specified triggering event. If after multiple levels of monitoring and an alternate source demonstration, a statistically significant level of contamination could not be attributed to another source, a company was required to retrofit or close a surface impoundment.

In August 2018, the D.C. Circuit Court of Appeals vacated and remanded to EPA three provisions of the original 2015 CCR Rule including the provision allowing unlined surface impoundments to continue to operate unless they detected a leak. On December 2, 2019, EPA published proposed amendments to the CCR Rule that included new deadlines to cease waste receipt and initiate closure for unlined surface impoundments. The proposed amendments indicated all five Laramie River Station ponds would be required to cease accepting waste by August 31, 2020 (with a potential extension to November 30, 2020). On July 29, 2020, EPA released a final rule (Part A Rule), which established April 11, 2021 as the cease waste receipt deadline for unlined surface impoundments.

Basin Electric is in the process of implementing a long-term compliance plan for the surface impoundments to meet the CCR Rule. Four surface impoundments have been retrofitted and are in compliance with the CCR Rule. The remaining surface impoundments are in the process of retrofit or closure activities. The total cost to close and retrofit the five impoundments at LRS is estimated at $66.6 million with $51.9 million spent to date.

On May 8, 2024, EPA published a final rule titled "Hazardous and Solid Waste Management System: Disposal of Coal Combustion Residuals from Electric Utilities; Legacy CCR Surface Impoundments" (the 2024 CCR Rule). The 2024 CCR Rule removes the exemption for inactive CCR surface impoundments at inactivate generation facilities and establishes regulations for CCR management units (CCRMUs). The 2024 CCR Rule becomes effective 180 days after publication. EPA has identified one surface impoundment at Basin Electric's former WJ Neal Station as being regulated under the 2024 CCR Rule. EPA has also identified two specific CCRMUs – one at Antelope Valley Station and one at Leland Olds Station – as being subject to the 2024 CCR Rule. Basin Electric is in the process of determining a compliance plan for the 2024 CCR Rule at all facilities. However, the 2024 CCR Rule is subject to petitions for review in the D.C. Circuit Court of Appeals. Basin Electric considered this matter and currently have not made an accrual for this and is unable to predict what cost, if any, may be incurred to comply.

EGU MATS RULE — On May 7, 2024, EPA published a final rule titled "National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and Technology Review" (EGU MATS Rule). The EGU MATS Rule eliminates the lignite subcategory for mercury emission limits, lowers the filterable particulate matter limits, and requires all units to install a particulate matter continuous emissions monitoring system. Basin Electric is in the process of determining a compliance plan for the EGU MATS Rule at all facilities. However, Basin Electric, other industry, and several states have filed petitions for review in the D.C. Circuit Court of Appeals. Basin Electric considered this matter and currently have not made an accrual for this and is unable to predict what cost, if any, may be incurred to comply.

GHG RULE — On May 9, 2024, EPA published a final rule titled "New Source Performance Standards for Greenhouse Gas Emissions from New, Modified, and Reconstructed Fossil Fuel-Fired Electric Generating Units; Emission Guidelines for Greenhouse Gas Emissions from Existing Fossil Fuel-Fired Electric Generating Units" (GHG Rule). As part of this rulemaking, EPA also repealed the Affordable Clean Energy Rule.

For new sources, the GHG Rule establishes performance standards for three categories of natural gas generation: low load, intermediate load, and base load. These new source performance standards apply to all combustion turbines that commenced construction on or after May 23, 2023. The standard for low load facilities is based on the use of lower emitting fuels. The standard for intermediate load facilities is based on highly efficient simple cycle technology with best operation and maintenance practices. The standard for base load facilities is divided into two phases. For phase one, the standard is based on highly efficient combined cycle generation with best operation and maintenance practices. For phase two, which applies beginning January 1, 2032, the standard is based on phase one with the addition of 90% capture of CO_2.

For existing sources, the GHG Rule establishes emission guidelines for two categories of coal-fired electric generating units (EGUs): medium-term and long-term. EGUs that permanently cease operation before January 1, 2032, are exempt. The emission guidelines for medium-term facilities – operating on or after January 1, 2032, and ceasing operating by January 1, 2039 – are based on co-firing 40% natural gas. The compliance date for medium-term facilities is January 1, 2030. The emission guidelines for long-term facilities are based on 90% capture of CO_2. The compliance date for long-term facilities is January 1, 2032. States must submit plans setting standards for existing sources using these emission guidelines and incorporating other factors.

Basin Electric is in the process of determining a compliance plan for the GHG Rule at all facilities. However, industry, and several states have filed petitions for review in the D.C. Circuit Court of Appeals. Basin Electric considered this matter and currently have not made an accrual for this and is unable to predict what cost, if any, may be incurred to comply.

REGIONAL HAZE — On December 2, 2024, EPA issued a final partial approval and partial disapproval of North Dakota's and Wyoming's Regional Haze plans. On January 31, 2025, Basin Electric filed petitions for reconsideration with EPA and petitions for judicial review of the disapprovals. The states and other industry have also filed similar petitions. For North Dakota, EPA disagreed with the state's determination that no additional controls were required for Antelope Valley and Leland Olds. In particular, EPA disagreed with North Dakota's consideration of visibility impacts. For Wyoming, EPA argued that the state should have done a four-factor analysis for PM. EPA has not proposed federal plans to replace the state plans.

LITIGATION — On November 7, 2019, McKenzie Electric Cooperative, Inc., a Class C member of Basin Electric, filed a lawsuit against both Basin Electric and Upper Missouri G&T Electric Cooperative, Inc. (Upper Missouri), a Class A member of Basin Electric. Pre-trial motions are currently pending before the court and are scheduled to be heard on April 8, 2025. In September 2024, the judge assigned to the case recused himself, and a new judge has since been assigned. Trial in this matter has not yet been scheduled.

FERC REGULATION — Effective November 1, 2019, Basin Electric met certain criteria making the cooperative subject to the jurisdiction of the FERC. Basin Electric has since made all of the necessary filings with FERC, including its wholesale power contracts and rate schedule A. FERC has accepted Basin Electric's filings, subject to settlement and hearing procedures. The hearing was held from August 28, 2023, to October 27, 2023. An initial decision by the administrative law judge was issued in June 2024. In September 2024, Basin Electric filed a brief on exceptions to the initial decision. Briefs on exceptions were also filed by substantially all of the other active parties to the proceeding. Basin Electric expects a decision from the full FERC Commission sometime in 2025 or 2026. Basin Electric considered this matter and currently have not made an accrual.

19. RELATED PARTY TRANSACTIONS

Basin Electric provides wholesale electricity sales and other services to its members. Basin Electric had accounts receivable from its members related to member wholesale power agreements of $191,436 and $175,597 as of December 31, 2024 and 2023.

Other receivables include $3,723 and $2,948 at December 31, 2024 and 2023, for amounts Basin Electric, as operating agent, and its subsidiaries, have billed to MBPP. Included in Special funds on the Consolidated Balance Sheets is Basin Electric's advance to MBPP of approximately $16,995 at December 31, 2024 and 2023.

CONTRACTUAL COMMITMENTS — Basin Electric provides and receives power, various materials, supplies and services to and from affiliates which are under the following agreements through 2026, except as noted below:

- POWER SUPPLY — Basin Electric provides all electric capacity, energy and transmission service needed to meet Dakota Gas' Synfuels Plant requirements under an agreement that extends through 2050.
- SCREENED COAL — Dakota Gas' Synfuels Plant provides screened coal to Basin Electric under an agreement that extends through 2037.
- COAL SUPPLY — Dakota Coal provides all coal requirements of Dakota Gas' Synfuels Plant and Basin Electric's AVS and LOS. This agreement extends through 2037.
- ADMINISTRATIVE SERVICES — Basin Electric provides various administrative and financial services to Dakota Gas, Dakota Coal, MLC and BCS.
- LIME SALES — Dakota Coal provides lime to Basin Electric's AVS and LRS.
- LIMESTONE SALES — Dakota Coal provides limestone to Basin Electric's LOS.
- WATER SUPPLY — Basin Electric provides water supply facilities for use by Dakota Gas' Synfuels Plant.
- SALE OF NATURAL GAS — Dakota Gas sells natural gas to Basin Electric for operation of utility gas generating plants and AVS (includes pipeline related costs).
- USE OF TRANSMISSION ASSETS — Basin Electric uses certain Dakota Gas transmission assets for a fee under an agreement that extends through 2047.
- PROJECT SERVICES — Basin Electric provides the use of operational assets to Dakota Gas' Synfuels Plant.

Related party amounts that were not eliminated in consolidation in accordance with ASC 980 were billed as follows for the years ended December 31:

	2024	2023
Sales of goods and services to:		
Dakota Gas		
Power supply	$ 57,645	$ 58,350
Administrative services	23,175	22,867
Water supply	2,482	2,541
Project and other services	369	221
Dakota Coal		
Administrative services	2,457	2,410
Total	$ 86,128	$ 86,389
Goods and services provided by:		
Dakota Gas		
Screened coal	$ 59,711	$ 50,637
Natural gas	11,524	14,164
Transmission and other misc. services	1,037	1,060
Dakota Coal		
Coal supply	77,794	88,128
Lime	11,970	11,425
Limestone	2,709	2,804
Total	$ 164,745	$ 168,218

Various other intercompany management, administrative and financial services were performed, which were not significant.

20. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	2024	2023
Cash paid for interest and income taxes:		
Cash paid for interest	$ 257,934	$ 241,791
Cash paid (refunded) for income taxes	$ 2,411	$ (603)
Non-cash investing and financing activity:		
Accrued acquisition of utility plant and nonutility property	$ 40,042	$ 66,828
Non-cash operating lease additions	$ 14,745	$ 14,695