

CELEBRATING 100 YEARS

OF DOING THE RIGHT THING

Sustainability Report
2023



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MESSAGE FROM OUR CEO

A Century of Success, a Future of Possibilities

MDU Resources marked 100 years in business on March 14, 2024. While this report outlines our practices and results for 2023, achieving 100 years in business underscores the company's long-term commitment to doing the right thing for its employees, customers, communities and shareholders.

We integrate sustainability into our business strategy because it directly impacts our viability and profitability. We strive to balance our commitment to economic, environmental and social considerations to ensure our operations continue to provide essential products and services for our customers.

As we look to the future, we will be focusing on the core regulated energy delivery business that started it all 100 years ago, our electric and natural gas utilities and our pipeline business. In 2023, MDU Resources spun off its construction materials and contracting business, Knife River Corporation, and we are working toward a late 2024 spinoff of our recently renamed construction services business, Everus Construction Group.

We expect that demand will continue to grow for energy to support economic growth and advancements in technology, such as artificial intelligence. We believe that a future focused on our regulated energy delivery businesses will optimize value for our shareholders while providing additional opportunities to invest in ensuring safe, reliable and cost-effective energy for our customers.

While focusing on our core regulated energy delivery businesses, we will continue to take a balanced approach to doing what's right for all our stakeholders. We achieved some significant environmental-related accomplishments in 2023 and early 2024 including:

- Achieving an 11% reduction in methane emissions from our natural gas distribution segment, where we have a reduction target of 30% by 2035 compared to 2022. We also remain focused on our methane emissions intensity reduction target of 25% by 2030 compared to 2020 levels for our natural gas pipeline business. Read more on [page 17](#) of this report.
- Achieving a 38% reduction in our electric generation greenhouse gas emissions intensity since 2005. Our intensity reduction target is 45% by 2030 compared to 2005 levels. Read more on [page 17](#) of this report.
- Adding renewable natural gas to Cascade Natural Gas' system to serve our customers. All three of our major utility brands now have RNG injected into their distribution systems with supply sourced from dairy digesters and landfills. Additional RNG sources are expected to be added to our system in 2024. Read more on [page 21](#) of this report.

The rest of this report provides a broader look at our commitment to social, economic, governance and environmental considerations.

A century of success stems from one driving force, our past and present employees' unwavering commitment to our customers, communities and shareholders. This is a commitment we will continue to uphold.

Here's to another 100 years and a future of possibilities!



Nicole A. Kivisto
President and CEO
June 28, 2024



ABOUT THIS REPORT

Report Framework

MDU Resources' sustainability report is structured to align with leading frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD) for disclosing climate-related risks and opportunities, the Sustainability Accounting Standards Board (SASB) for industry-specific sustainability reporting, and industry associations such as the Edison Electric Institute (EEI) and the American Gas Association (AGA), ensuring comprehensive coverage of financially material sustainability information relevant to investors.

We are committed to incremental annual advancements in our reporting efforts by leveraging best practices and frameworks relevant to our businesses and stakeholders or as directed by regulators. Data contained in this report is as of December 31, 2023, unless otherwise indicated.

Reporting Frameworks	Business Segment
TCFD index	We continue to enhance and expand our disclosure of the company's governance, strategy, risk management, and metrics and targets related to climate risk in accordance with guidance from the TCFD.
EEI template	Utilities
AGA template	Utilities and Pipeline
SASB	Construction Services

Learn More/Key Resources



[MDU Resources Sustainability Report Archive](#)



[Utility Climate Scenario Analysis](#)



[100th Anniversary](#)



[Proxy Statements](#)



[Recent Company Events and Presentations](#)

Forward-Looking Statements

Information contained in this report relating to environmental, social and governance practices highlights the key strategies, goals, projections and certain assumptions for the company and its subsidiaries. Some of these statements are "forward-looking statements" within the meaning of U.S. federal securities laws. Forward-looking statements are all statements other than statements of historical fact, including without limitation those statements that are identified by the words "anticipates," "estimates," "expects," "intends," "plans," "predicts" and similar expressions, and include statements concerning plans, trends, objectives, goals, strategies, performance or future events and other statements that are other than statements of historical facts. Although the company believes that its expectations are based on reasonable assumptions, there is no assurance that the company's projections will in fact be achieved. Please refer to the various important factors listed in Part I, Item 1 A - Risk Factors in the company's most recent 10-K and subsequent filings with the Securities and Exchange Commission (SEC). Changes in such factors could cause actual results to differ materially.

Our Pledge

At MDU Resources, we are deeply committed to steering our operations with a long-term perspective on sustainability, ensuring that our economic, environmental and social initiatives support and enhance our ability to deliver cost-effective and dependable services to our customers, under a strong governance framework.

All forward-looking statements are expressly qualified by such cautionary statements and by references to underlying assumptions. Undue reliance should not be placed on forward-looking statements, which speak only as of the date they are made. We do not undertake to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Inclusion of information in this report does not indicate the contents are necessarily material to investors or required to be disclosed in SEC filings.



Company Profile



We're proud to be among the rare echelon of businesses to have stood the test of time for a full century. Our longevity is a result of doing the right thing for all our stakeholders. MDU Resources got its start as a small utility company in 1924, serving customers on the Montana-North Dakota border. Today, we operate across the country through our regulated energy delivery and construction services businesses. A member of the S&P MidCap 400 index, MDU Resources began trading on the New York Stock Exchange in 1948.

We provide essential products and services, including the natural gas and electricity that power business, industry and our daily lives, and the pipes and wires that connect our homes and offices to bring them to life.



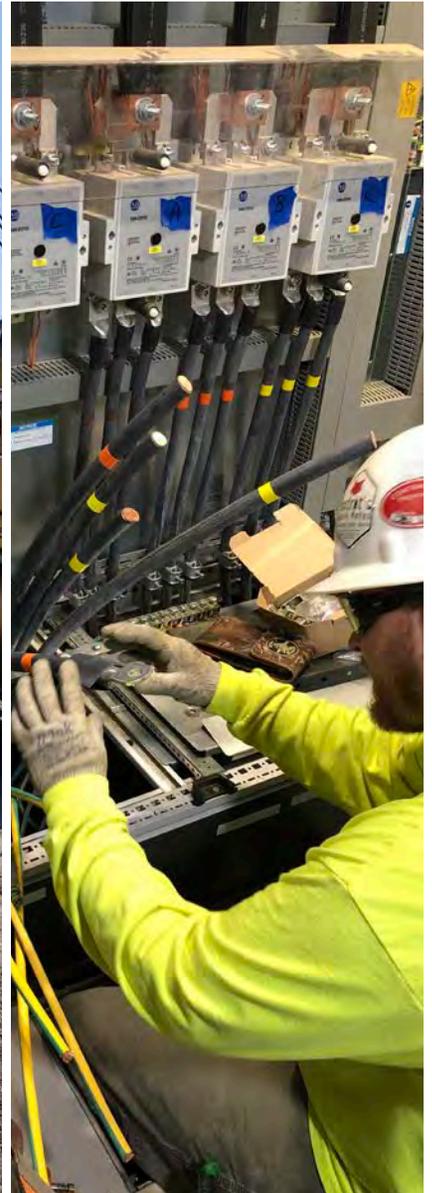
Our utility companies serve electricity and natural gas to approximately **1.19 million** customers across eight states.



Our pipeline provides natural gas transportation and underground storage, cathodic protection and other energy-related services.



Everus Construction Group (Everus) is a specialty construction services and electrical contracting company operating throughout the United States.



MDU Resources is headquartered in Bismarck, North Dakota, and as of December 31, 2023, employed 9,145 people across the country.

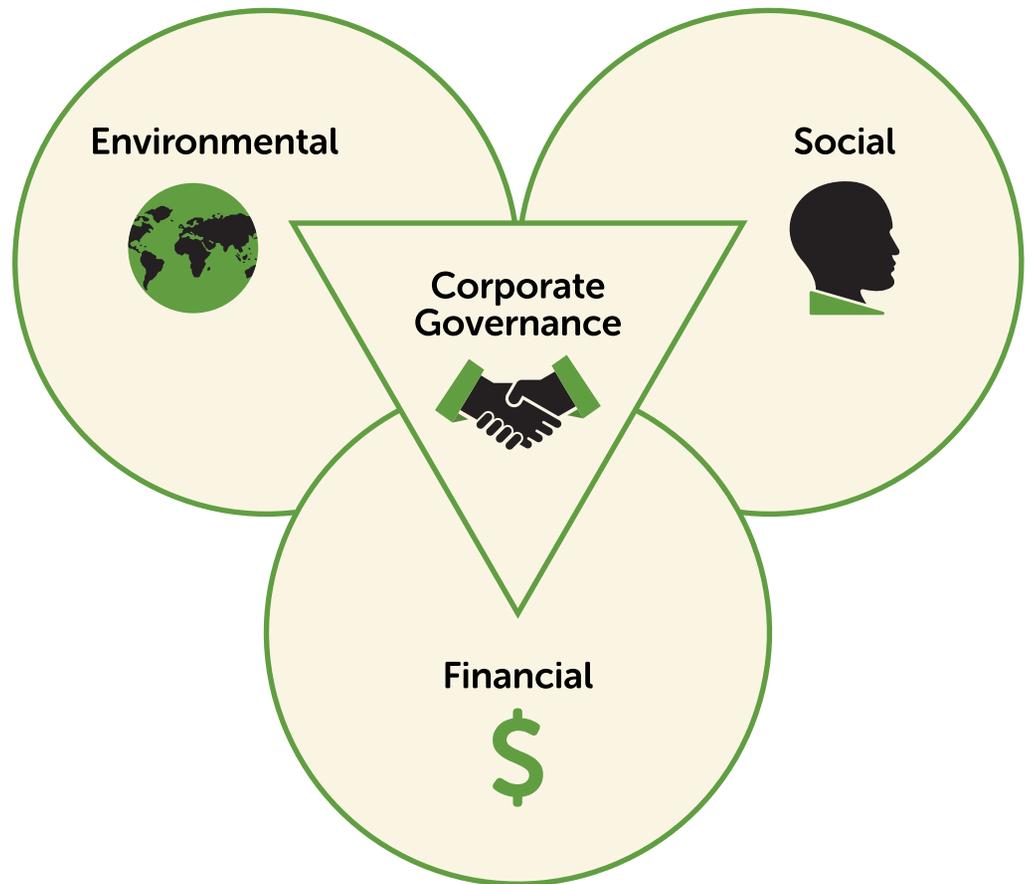
In 2023, MDU Resources spun off its construction materials and contracting business, Knife River Corporation. It is working toward spinning off the construction services business, Everus Construction Group, expected in late 2024.



Legacy & Longevity

We believe sustainability is balancing environmental, social and financial impacts under the backdrop of strong governance. Initiatives such as carbon emission reductions, fostering community involvement and fortifying transparent governance are integral to our mission of long-term value creation.

We also believe sustainability is legacy and longevity. We've created a legacy of doing the right thing for our stakeholders.



Montana-Dakota Utilities founder Rolland M. Heskett started his career as an engineer for a street trolley company and spent a decade traveling, designing and building these streetcar systems. While on his travels, he met a couple lumber businessmen in Wausau, Wisconsin, and it was with their financial help that Rolland purchased two small electric utilities in Minnesota.

It didn't take long for him to expand. Minnesota Northern Power Company was incorporated on March 14, 1924. Rolland purchased more properties, including utility stations in eastern Montana near Glendive, and in 1926, he entered the natural gas business. In six short years, from 1924 to 1930, the company grew from a handful of small electric and gas properties into a family of utility companies serving over 110 communities.

As time progressed and those small towns grew, so did the company. The founders saw the potential and in 1935 merged everything into a single corporation called Montana-Dakota Utilities Company, which later became a subsidiary of the parent company MDU Resources Group, Inc. Anchored in the center of growth and expansion are the simple values that Rolland Heskett embodied when he founded the company: "when communities thrive, we thrive."

We have proudly served our communities for **100 years**, demonstrating a strategy of sustainability.



Environmental Policy

MDU Resources' [environmental policy](#), as adopted by the Board of Directors, directs the corporation to operate efficiently to meet present needs without compromising the ability of future generations to meet their needs. Company environmental leaders have responsibility for administering the environmental policy, and company officers are responsible for compliance.

Environmental Philosophy

MDU Resources looks forward to technological advancements and sound public policy that will help move us toward a future with net-zero carbon emissions, while ensuring we provide essential, safe, reliable and cost-effective energy and services to our customers. We continuously enhance transparency by expanding disclosures and refining our environmental objectives.



Minimize waste & maximize resources.

- Promote emission reductions and fuel conservation.
- Promote energy efficiency and conservation programs.



Be a good steward of the environment while providing high-quality & reasonably priced products and services.

- Engage in wildlife protection practices.
- Work with wildlife regulatory agencies.
- Measure Scope 1 and 2 emissions.
- Expand electric generation fleet with lower-carbon resources and renewables.
- Strive to achieve emission reduction goals.



Comply with or surpass all applicable environmental laws, regulations & permit requirements.

- Protect water quality.
- Control and prevent the spread of noxious weeds.
- Reduce noise.
- Support development and enhancement of public spaces in the communities we serve.



Curtin Boon, right, with Cascade Natural Gas, was on his way to conduct a survey when he noticed cattle along the roadway. Boon contacted the owner, at left, and helped him move the cattle.

Social Commitments

MDU Resources' social commitments are to:



Provide a safe and healthy environment for our employees and a culture of diversity, equity and inclusion that values, respects and supports each employee.



Provide education and training to employees on their duty to protect our assets and financial integrity, including topics such as conflict of interest; confidential, privileged and competitive information; anti-bribery; anti-corruption; gift giving and receiving; and whistleblower protections.



Protect our communities by evaluating and mitigating safety risks in our operations.



Be actively involved in and support the communities where we operate.

MDU Resources has a robust program to promote a culture of legal and ethical compliance, consistent with the right "tone at the top," to mitigate risk. The program, since implementation, is mandatory for all employees and includes training and adherence to our "Leading With Integrity Guide" code of conduct.

Our "Leading With Integrity Guide" instructs employees, officers and directors to uphold integrity in all matters. We commit to:

Conduct business legally and ethically with our best skills and judgment.

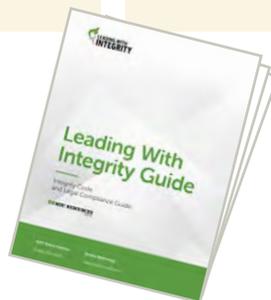
Act in the best interests of our corporation and protect its assets.

Work together to provide a safe and positive workplace.

Be a responsible and valued corporate citizen.



LEADING WITH INTEGRITY



Everus employees celebrating the 4th of July with a patriotic clothing contest.

Stakeholders

MDU Resources believes in corporate social responsibility and the fundamental commitment to our numerous stakeholders. We manage our business with a long-term view toward sustainable operations, focusing on how economic, environmental and social efforts can help us continue providing affordable and reliable essential products and services. We value all our stakeholders and the diverse perspectives each offers. We engage with our stakeholders in a variety of ways:

Customers



- Direct customer support
- Email campaigns
- Website updates
- Social media content
- Surveys
- Energy efficiency programs

Communities



- Volunteerism
- Training programs
- Educational partnerships
- Charitable giving and donation programs
- Long-term infrastructure project planning
- Grid resilience planning
- Websites / direct mail

Employees



- Team meetings
- Training programs and education
- Performance reviews
- Surveys
- Intranet
- Employee award and recognition programs

Investors & Shareholders



- Quarterly and annual reports
- Meetings and calls
- Presentations
- Industry conferences
- Earnings releases
- Other news releases
- Websites

Suppliers



- Code of conduct
- Meetings
- Onboarding processes
- Surveys
- Safety training

Regulators



- Routine outreach
- Regular communications with commissions
- Ongoing dialogue and cooperative relationships with regulatory agencies

Local, State & Federal Government



- Excavation safety and emergency response training upon request
- Public meetings and hearings
- Engagement with legislators
- Long-term planning

Banks & Rating Agencies



- Ongoing dialogue and cooperative relationships
- Quarterly and annual reports
- Routine outreach

Non-government Organizations



- Ongoing dialogue and cooperative relationships
- Direct outreach

Unions



- Ongoing dialogue and cooperative relationships
- Labor, management and benefits meetings

Board Oversight of Risk Management

Our board, with its committees, oversees risk management as a cornerstone of our governance framework. It ensures that management has established robust processes for identifying, assessing and managing risks. Management is responsible for identifying material risks, implementing appropriate risk management and mitigation strategies, and providing information regarding material risks and risk management and mitigation to the board. The company’s risk oversight framework also aligns with its disclosure controls and procedures.

The board believes establishing the right “tone at the top” and full and open communication between management and the board of directors are essential for effective risk management and oversight. Our chair meets regularly with our chief executive officer to discuss strategy and risks facing the company. The chair of the board and chairs of each of the board’s standing committees meet with our chief executive officer, chief financial officer, and chief legal officer to discuss risks and presentations to the board regarding risks.

Senior management attends the quarterly board meetings and is available to address questions or concerns raised by the board on risk management-related and any other matters. Quarterly board meetings focus on enterprise risk management issues, while annual strategic planning sessions keep the company forward-focused. A wide spectrum of risks is evaluated, including economic, strategic, operational, environmental, climate-related, regulatory, competitive and cybersecurity risks. While the board is ultimately responsible for risk oversight at our company, our standing board committees assist the board in fulfilling its oversight responsibilities in certain areas of risk. The board has four committees to help execute its responsibilities:

At our core, we are committed to being an **exceptional corporate citizen**, safeguarding the trust our communities place in us.

	Audit	Compensation	Nominating & Governance	Environmental & Sustainability
Risk Oversight Committee Responsibilities	<ul style="list-style-type: none"> Financial reporting Internal controls Cybersecurity Compliance with legal and regulatory requirements 	<ul style="list-style-type: none"> Executive compensation Incentive plans Assess consultant independence Director compensation policy 	<ul style="list-style-type: none"> Board organization Board membership and structure Succession planning Corporate governance 	<ul style="list-style-type: none"> Environmental Health and safety Social sustainability Climate change risks

A full description of our committee responsibilities can be found in our [committee charters](#) and in our [proxy statement](#).

Governance of Environmental & Social Responsibility

<p>Environmental & Sustainability Committee Fulfilling Oversight Responsibilities</p> <ul style="list-style-type: none"> Assists the board in its oversight of environmental, workplace health and safety, cultural and other social matters Has opportunity to provide feedback on sustainability report enhancements Internal audit provides an audit report to the committee of its review of the sustainability report 	<p>Management Policy Committee Risk Management & New Pursuits</p> <ul style="list-style-type: none"> Comprised of business unit presidents and senior company officers Meets weekly or more frequently as warranted and is responsible for the management of risks and pursuit of opportunities related to environmental and social sustainability matters, including climate change, health and safety <p style="text-align: center;">Read More About Risk Management</p> <p style="text-align: center;">Item 1A Risk Factors: 2023 Annual Report 10K</p>	<p>Executive Sustainability Committee Strategy, Controls & Execution</p> <ul style="list-style-type: none"> Led by senior corporate officers and business unit senior executives Supports execution of our environmental and sustainability strategy Establishes, maintains and enhances the processes, procedures, methods and controls for our environmental and sustainability disclosures
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Board Composition

Board Independence

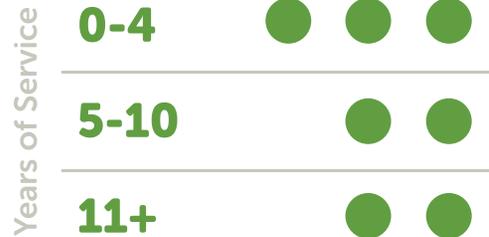
The board has determined that all directors, other than the CEO, meet the independence standards set by the NYSE and SEC.

86%

Board Independence

Tenure

The average tenure of the directors is approximately seven years, which reflects a balance of company experience and new perspectives.



Diversity

The board is committed to having a diverse and broadly inclusive membership.

Gender

Two of our seven directors are women.



29%

Race/Ethnicity

One of our seven directors is ethnically diverse.

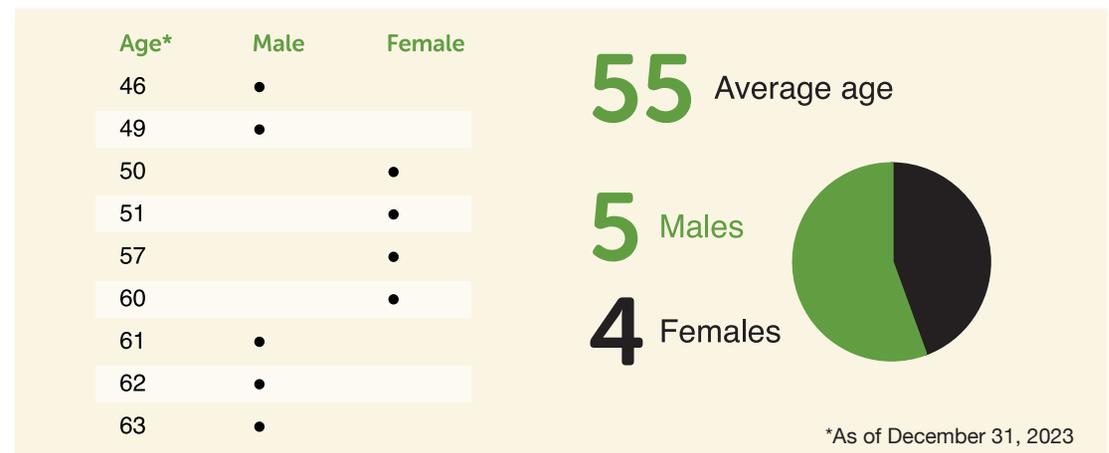


14%

*As of December 31, 2023

Management Policy Committee Composition

Four of Nine MDU Resources officers are women. 



Ethics Reporting

The Audit Committee of the Board of Directors receives regular updates on the company's compliance program, including reports from the anonymous ethics reporting hotline, which is managed by a third party. The committee maintains communication and holds regular meetings with both the company's external and internal auditors. All reports undergo thorough consideration and investigation, with detailed summaries provided to the Board of Directors. To learn more, see our [Compliance Program, Reporting and Investigation policy](#).

File an anonymous report [online](#), or dial 1-866-294-4676.

Corporate Governance Practices

- Updated in **2023**: Incentive compensation recovery/clawback policy to comply with new requirements.
- Annual election of all directors.
- Majority voting for directors.
- No shareholder rights plan.
- Succession planning and implementation process.
- Separate board chair and CEO.
- Executive sessions of independent directors at every regularly scheduled board meeting.
- Annual board and committee self-evaluations.
- Risk oversight by full board and committees.
- Environmental and social oversight by full board and board committee.
- All directors are independent, other than our CEO.
- "Proxy Access" allowing stockholders to nominate directors in accordance with the terms of our bylaws.
- Standing committees consist entirely of independent directors.
- Active investor outreach program.
- One class of stock.
- Stock ownership requirements for directors and executive officers.
- Anti-hedging and anti-pledging policies for directors and executive officers.
- Annual advisory approval on executive compensation.
- Mandatory retirement for directors at age 76.
- Directors may not serve on more than three public company boards, including our board.
- Diverse board in terms of gender, race, experience, skills and tenure.

Policies Governing Political Contributions

GOOD GOVERNMENT FUND

The MDU Resources Good Government Fund is a voluntary political contributions program for eligible employees, organized to encourage their financial participation in state and federal elections. It receives personal contributions from employees and directors and makes contributions to candidates who support the private enterprise system and MDU Resources' interests. It supports candidates with platforms aligned with MDU Resources' business interests, regardless of party affiliation. To the extent practical, contributions are made in person to allow employees to discuss important issues directly with candidates. Good Government Fund members can recommend candidates, reviewed by the board of the Good Government Fund.

The company's Board of Directors receives an annual report on contributions. Members who contribute at least **\$120 annually** are eligible for the charity match program; the company matches their contribution to any qualifying charity, school or church.

Lobbying

MDU Resources' Communications and Public Affairs Department provides public affairs and lobbying services for the company and its subsidiaries. It actively monitors and testifies on relevant legislation, allocating around **\$250,000 annually** to lobbying efforts. The department collaborates with state and national trade associations, chambers of commerce and industry groups aligned with the corporation's interests. Staff members also promote political awareness among MDU Resources' employees.



From left, WBI Energy Executive Vice President Jeff Rust, Senator John Hoeven R-N.D., MDU Utilities Group Director of Business Development Larry Oswald met to discuss North Dakota energy issues.

Regulated Utility

Our utility business consists of both electric and natural gas distribution segments. The electric segment, operating under Montana-Dakota Utilities Co. (Montana-Dakota), generates, transmits and distributes electricity. The natural gas distribution segment is operated through Montana-Dakota, Cascade Natural Gas Corporation (Cascade) and Intermountain Gas Company (Intermountain). These companies sell natural gas at retail, serving residential, commercial and industrial customers.

- 15,000+ new customers connected in 2023, representing 1.3% customer growth.
- 459 communities and adjacent rural areas served.

~1.2 Million

Total Customers
 • Over 1 Million Gas
 • Over 145,000 Electric

648 MW

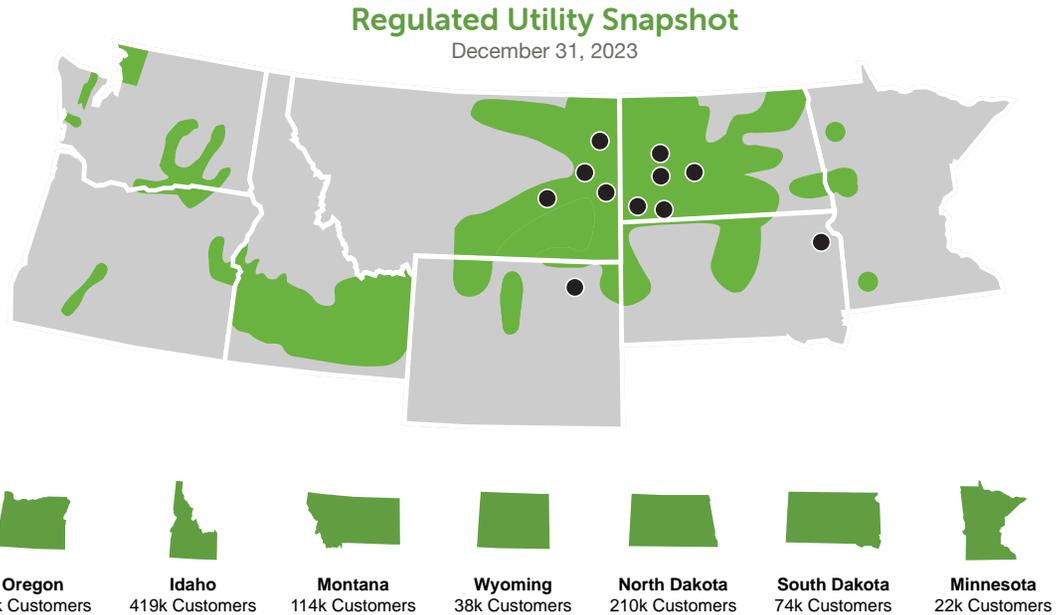
Owned Generation

30,400

Miles of Electric and Gas Transmission and Distribution Lines

1,520

Skilled Employees



As MDU Resources looks to the future, we will be focusing on our regulated energy delivery business — the electric and natural gas utilities and pipeline — that started it all 100 years ago.

Pipeline

Our pipeline segment, WBI Energy, provides regulated natural gas transportation and underground storage services. It provides a variety of other energy-related services, such as cathodic protection.

- Record annual transportation volumes in 2023, which increased 17% compared to 2022.

3,800

Miles of Pipe

~2.6 Bcf/day

System Capacity

14

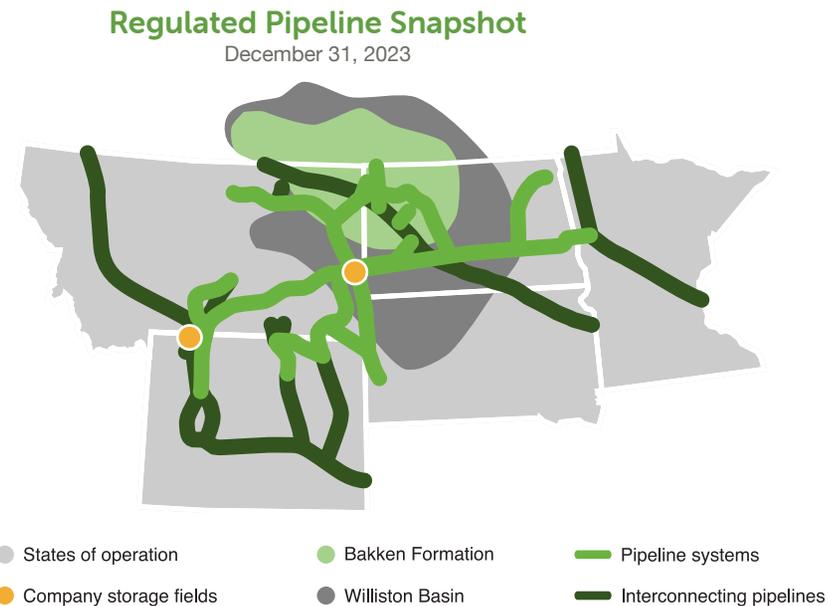
Interconnecting Points

LARGEST

Natural Gas Storage Field in North America

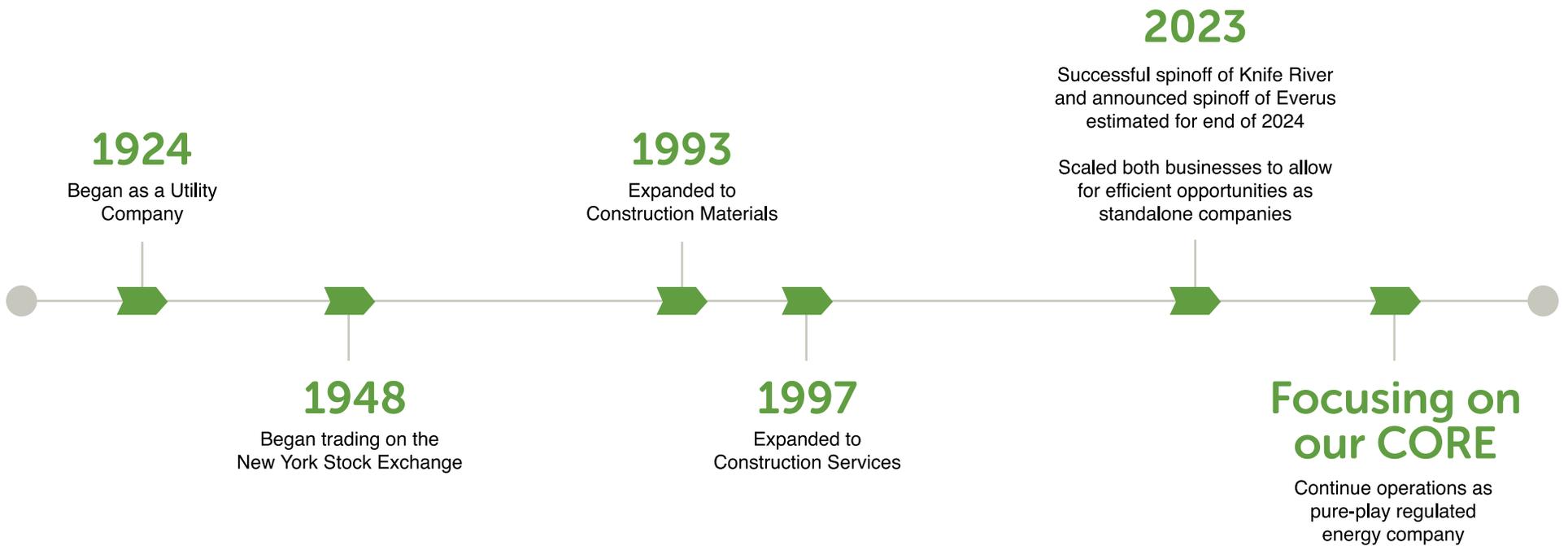
~82%

of Montana-Dakota's Natural Gas is Transported by the Pipeline



REGULATED ENERGY DELIVERY - CORE STRATEGY

We have deep roots in the utility business, where our company began. Upon completion of the Everus spinoff, expected in late 2024, we'll return to our "CORE," as a pure-play regulated energy delivery business. We're excited about our future growth opportunities, including \$2.7 billion in planned capital investments over the next five years that will help us continue to safely, reliably and cost-effectively serve our customers.



What is CORE?



Customers & Communities

Sustain best-in-class customer satisfaction

Competitive rates

Community focused



Operational Excellence

Safety culture - driving employee and system safety

Responsible approach to operating costs and capital investment

Environmental stewardship



Returns Focused

Attractive earnings and rate base growth

ROE enhancement

Delivering strong total shareholder return



Employee Driven

Employee retention and recruitment

Encourage employee engagement

Succession planning and development programs

Our “CORE” focus of **Operational Excellence** includes environmental stewardship. Oversight by our professional environmental staff with reporting and direct accountability to leadership keeps our pledge to operate in an environmentally responsible manner at the forefront.

Strategy & Goals

We are committed to doing our part to ensure a sustainable, low-carbon future. Natural gas will remain a foundational fuel in the effort to build a cleaner energy future, driving critical energy services that are vital to daily life and our nation’s economy.

Our regulated energy delivery business has established three near-term **environmental-related goals** that we are sharply focused on:



1 Electric Generating Intensity

Reducing electric greenhouse gas emissions intensity by **45%** by 2030 compared to 2005 levels from owned generating facilities.

2 Utility Methane

Reducing methane emissions by **30%** by 2035 compared to 2022 levels for our natural gas utility segment.

3 Pipeline Methane Intensity

Reducing WBI Energy’s methane emissions intensity by **25%** by 2030, compared to the 2020 rate of 0.045%.



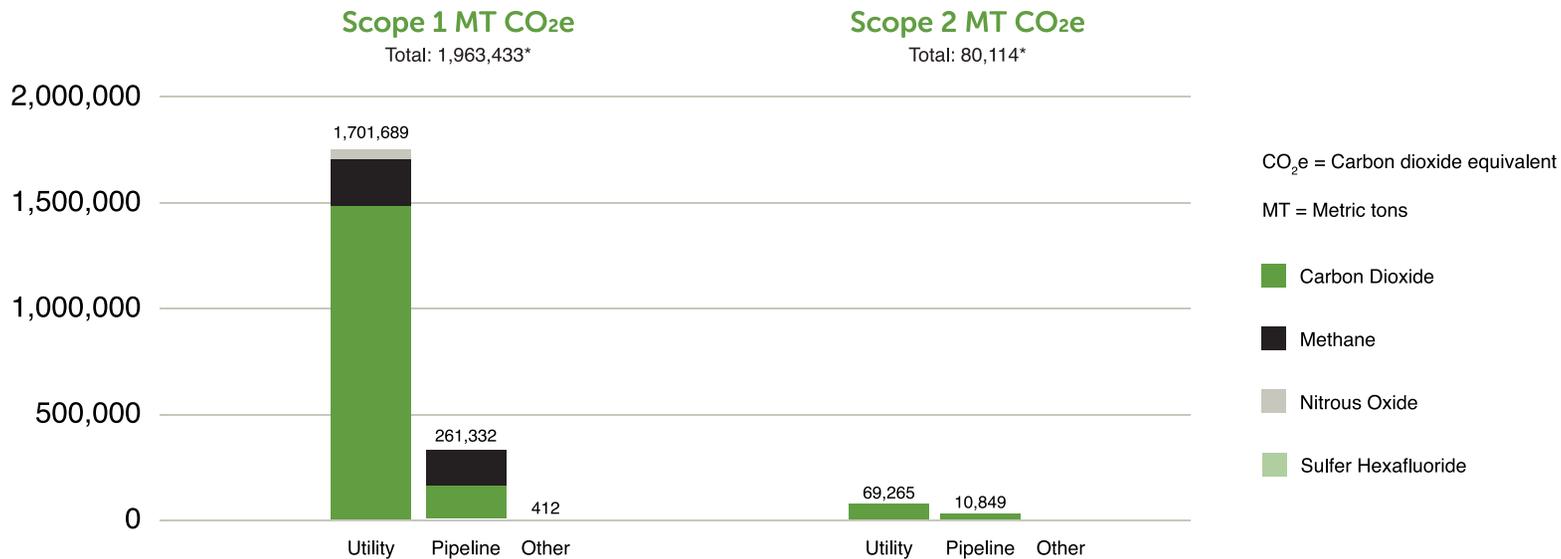
Risk and Opportunities Associated with Climate Change

Ongoing TCFD analysis enhances MDU Resources’ understanding and identification of climate-related risks and opportunities over the short, medium and long term. This helps us prepare to mitigate potential risks and optimize opportunities. See the full analysis in the [Appendices](#).



REGULATED ENERGY DELIVERY - ENVIRONMENT

We began tracking our corporatwide **Scope 1** and **Scope 2** greenhouse gas (GHG) emissions across our corporation in 2022. Our 2023 regulated energy delivery business GHG emissions were as follows:

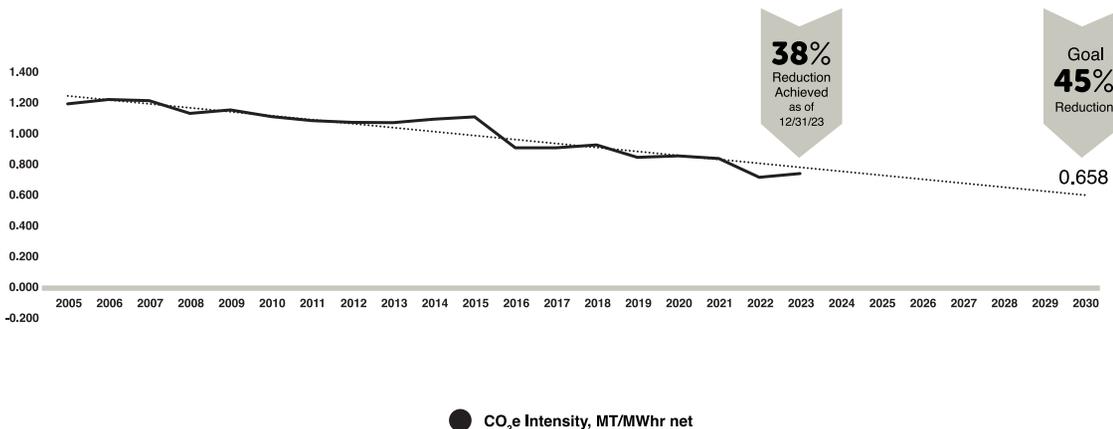


*See page 42 for Everus 2023 total GHG emissions.

Environmental Goal Progress

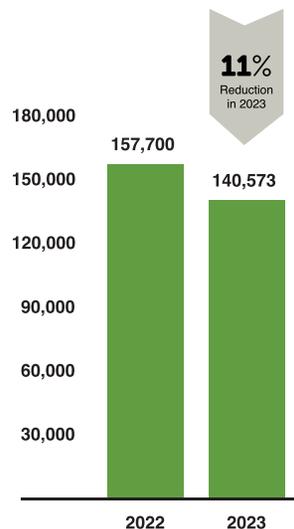
Electric Generating Intensity

Historical Carbon Dioxide Equivalent Intensity (CO₂e)(lb/MWhr net)



Utility Methane

MT CO₂e



Pipeline Methane Intensity

WBI Energy's methane emissions intensity goal was established in mid-2022. In 2023, we achieved an emissions intensity rate of **0.046%** compared to 0.042% in 2022. With 2023 being our first full year working toward our **25%** reduction goal by 2030, we focused on:

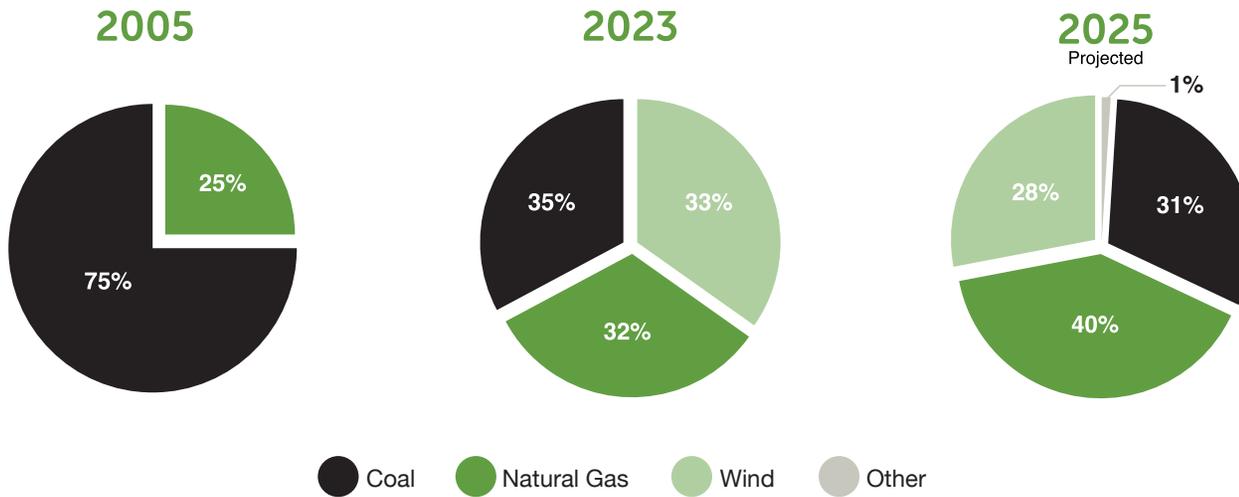
- Improving tracking systems for leak detection and repair of fugitive emissions components, which account for only **2-3%** of our emissions, and our repair process.

Our focus in 2024 is to implement the tracking and corrective procedures for sources that currently account for approximately **50%** of WBI Energy's total methane emissions.

Coal Retirements

MDU Resources no longer operates any wholly owned coal-fired electric generating facilities. Lewis & Clark Station Unit 1 at Sidney, Montana, ceased operations in early 2021. Heskett Station Units 1 and 2 near Mandan, North Dakota, ceased operations in early 2022. We have steadily increased our renewable energy generation year over year and have shifted our generation fleet over time from coal to renewables. The company continues to evaluate future opportunities for renewable resources.

Generation Capacity by Fuel Type



Renewable Resource Investments

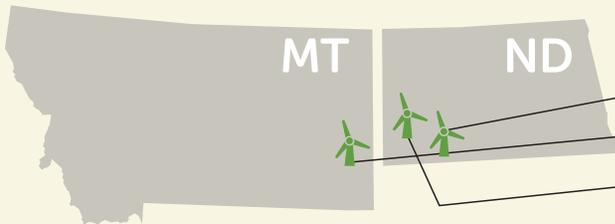


205 megawatts of installed wind generation capacity at three locations providing **>32%** of energy.

7.5-megawatt heat recovery facility near Glen Ullin, North Dakota.



Heat is reused in a closed-loop system to drive this generating facility, which uses exhaust gas as the primary heat source, with no additional fossil fuel required.



Renewable generation facilities

- 155.5-megawatt** Thunder Spirit Wind farm near Hettinger, North Dakota.
- 30-megawatt** Diamond Willow Wind farm near Baker, Montana.
- 19.5-megawatt** Cedar Hills Wind farm near Rhome, North Dakota.

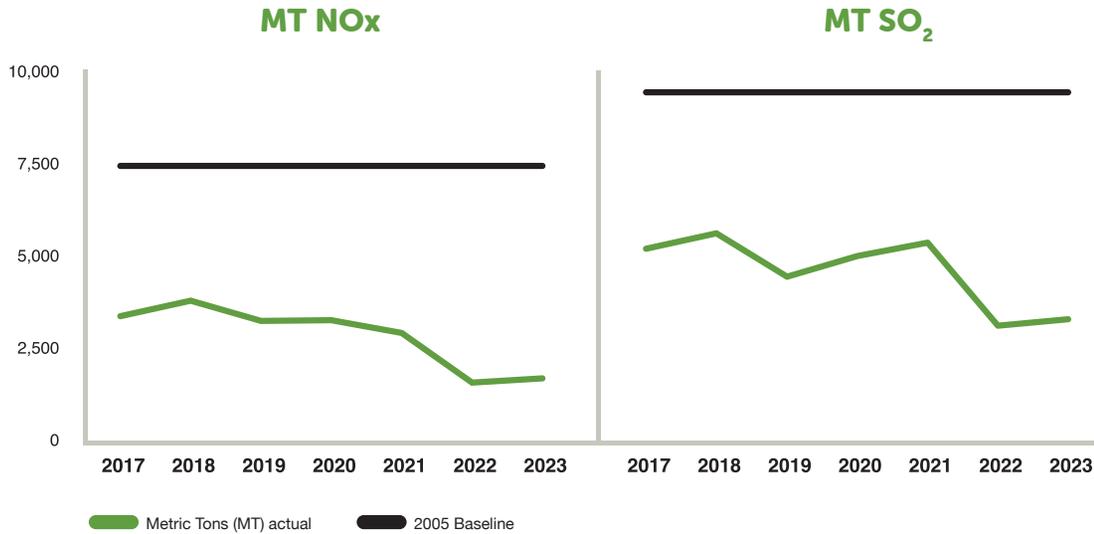
Studying Pathways to Net Zero

We continually review the energy needs of our customers and the diversity of our generation fleet. In 2021, we completed a [climate scenario analysis](#) in alignment with Task Force on Climate-Related Financial Disclosures guidance. The results of this study helps us analyze potential pathways to achieve net-zero carbon emissions from our electric generation resources by 2050.

Montana-Dakota Utilities is expecting its 88-megawatt simple-cycle, natural gas-fired combustion turbine peaking unit at the Heskett Station site in Mandan, North Dakota will be online in mid-2024.

NOx/SO₂ Reduction

From our 2005 baseline reporting, we have dramatically reduced our nitrogen oxide (NOx) and sulfur dioxide (SO₂) emissions from our owned electric generation by **nearly 71%** since 2005 through plant retirements and the installation of advanced pollution control equipment.



Smart Grid Grant Application

Montana-Dakota Utilities applied for Smart Grid Grant funding from the Department of Energy under the Grid Resilience and Innovative Partnerships (GRIP) program, as part of the Bipartisan Infrastructure Law (BIL) funding. If awarded, funds will be used for a planned transmission line rebuild project between Hettinger and Elgin, North Dakota. Grant funding selection is slated for fall 2024.

- The Smart Grid Grant specifically requests that projects focus on deployment of advanced conductors, increase operational capacity using grid-enhancing technologies and improve efficiency with dynamic line ratings.
- The project will include rebuilding transmission line with carbon fiber-core conductor and adding advanced protection and control systems and a dynamic line rating system. Dynamic line rating systems automate the process of determining transmission line capacity by monitoring weather conditions and adjusting line capacity in real time.
- Montana-Dakota Utilities partnered with the University of Illinois-Illinois Sustainable Technology Center (ISTC) for the project. ISTC is responsible for drafting and submitting the application and managing the grant, including all DOE reporting requirements.
- If selected, Montana-Dakota's in-service date for the project is projected to be mid-2028.

Research and Technology

Montana-Dakota Utilities recently installed advanced conductors as part of a transmission system capacity increase required by a Midwest Independent System Operator generator interconnection.

Montana-Dakota selected TS Conductor for our replacement conductor. This product has a carbon fiber core that makes it nearly 80% lighter than standard conductors.

- Installing TS Conductor required no transmission structure replacements while doubling the transmission line capacity. Under a traditional approach, we would have had to replace 90% of our transmission structures to achieve the required capacity upgrade.
- Montana-Dakota was the first company in North America to install TS Conductor.
- Using TS Conductor reduced costs by 40% and cut construction time in half.
- Eleven miles of the impacted transmission line is within the city of Bismarck, North Dakota, which would have made structure replacements extremely challenging.
- Rocky Mountain Contractors, an Everus company, was the construction contractor on the project.



Carbon Sequestration Research

MDU Resources contributes to carbon sequestration research through key partnerships and initiatives:

- **Plains CO₂ Reduction Partnership:** Since 2003, we have collaborated with the Energy and Environmental Research Center for researching CO₂ capture technologies and identifying optimum locations for geologic sequestration.
- **Partnership for CO₂ Capture:** Since 2014, we have supported enhancing CO₂ capture technologies' efficiency and affordability.
- **Technical and Environmental Workgroups:** We engage in North Dakota Lignite Energy Council workgroups, focusing on CO₂-related issues such as lignite gasification and beneficial CO₂ uses.

These efforts pave the way for a greener and more sustainable future.

Coal Combustion Residuals Management

Montana-Dakota Utilities complies with coal combustion residual rule requirements for its coal-fired electric generating facilities. The rule requires proper management of coal ash and groundwater monitoring and potential corrective actions in areas where ash was handled, such as impoundments or landfills.

Several projects have been completed at Montana-Dakota's owned and co-owned coal-fired electric generation facilities for compliance with rule requirements. These projects include pond closures, temporary storage pad closures, a pond retrofit and bottom ash handling system retrofits. We no longer operate any wholly owned coal-fired electric generation facilities with closures in 2021 and 2022.

Hazardous Waste

Montana-Dakota Utilities' electric operations are very small-quantity generators of hazardous waste and subject only to minimum regulation under the U.S. Resource Conservation and Recovery Act.

PCB Elimination

Montana-Dakota Utilities handles polychlorinated biphenyls (PCBs) from its electric operations in accordance with federal requirements. The company has a policy of proactively identifying and eliminating PCBs from its electric transmission and distribution system equipment.

Positive Trends in Water Conservation

Montana-Dakota Utilities' electric facilities rely on water for various essential processes. This includes rural and municipal water system usage, as well as withdrawing water directly from water bodies of which much of the water is returned after use, in accordance with discharge permit requirements. Large amounts of water may be circulated continuously, such as in a steam turbine condensing process to generate electricity at a coal-fired unit. Other processes may consume smaller amounts of water and on an intermittent basis, such as power augmentation at a peaking combustion unit, boiler makeup and air pollution controls at a coal-fired unit and fire protection systems.

Water withdrawals declined significantly with the closures of our fully owned coal facilities. Comparing 2023 to the baseline year of 2005:

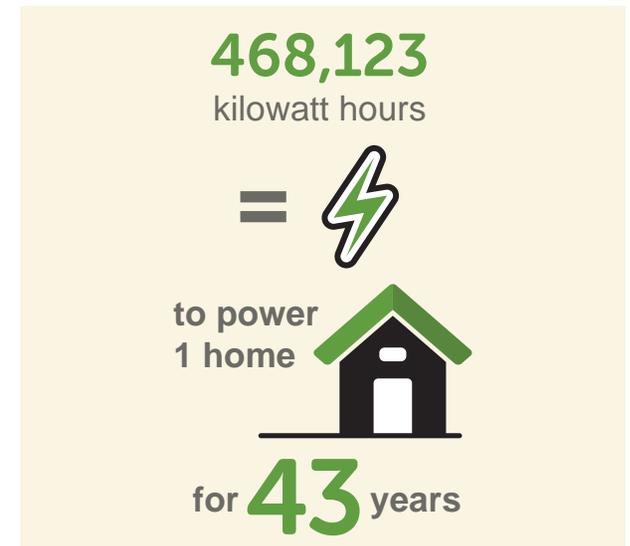
- 49.51%, or 510 million gallons, decrease in consumptive water withdrawals, from 1,030 million gallons to 520 million gallons.
- 99.91%, or 29,965 million gallons, decrease in non-consumptive water withdrawals, from 29,993 million gallons to 28 million gallons.



Missouri River

Energy Efficiency and Conservation

Montana-Dakota Utilities encourages energy efficiency and conservation by our residential and commercial electric customers through customer programs. State regulatory agencies also set program requirements, in some circumstances. In 2023, our customers saved approximately **468,123** kilowatt hours through electric efficiency programs. That's equivalent to a reduction of more than **327** metric tons of CO₂.



Montana-Dakota Utilities operates residential and commercial incentive programs in Montana that promote energy-efficient electric equipment installation. It also offers commercial demand-response programs in Montana, North Dakota and South Dakota.

Several years ago, we completed an LED conversion program for company-owned public street lighting and private lighting services throughout our service territory to reduce energy usage and thus help reduce emissions.

Montana-Dakota Utilities partners with local community action agencies across its electric service territory to provide low-income assistance for qualified customers.

Renewable Natural Gas

Renewable natural gas (RNG) is biogas that is produced from non-geologic sources, converted to biomethane by removing contaminants and increasing the heating value, and processed to meet natural gas pipeline quality standards. RNG comes from a variety of sources, including:

- Municipal solid waste landfills and wastewater treatment plants
- Livestock farms
- Food production facilities
- Organic waste management operations

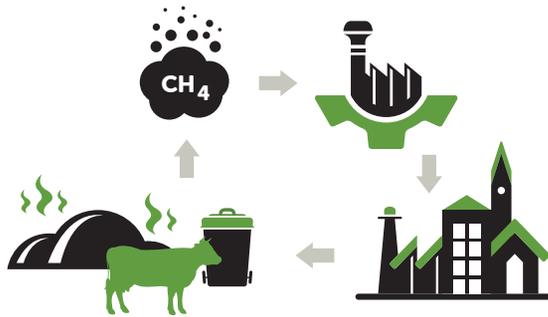
RNG benefits our grid and economy. When substituted for traditionally sourced natural gas, RNG development has the potential to reduce carbon impacts by capturing and refining naturally occurring methane from landfills, dairies and wastewater plants that would otherwise be vented into the atmosphere.

Oregon and Washington have enacted policies allowing natural gas distribution utilities to supply RNG to customers. Cascade is committed to developing RNG programs for its customers under these policies and rules. It also is committed to exploring opportunities to help communities meet their GHG reduction goals through RNG or potential future opportunities for hydrogen.

Innovative RNG Injection Project

Cascade, in partnership with Pine Creek RNG and Lamb Weston, achieved a significant environmental milestone in the first quarter of 2024 by launching the first projects to inject RNG into Cascade's distribution system from the Horn Rapids Landfill and Lamb Weston's agricultural biogas recovery system in Richland, Washington. This innovative project reduces the need for traditional natural gas and repurposes previously flared gas, contributing to environmental sustainability. The landfill and agricultural biogas recovery system is expected to produce more than 250,000 dekatherms of RNG annually, which is equivalent to the natural gas used by approximately 3,900 homes each year.

Renewable Natural Gas



Lamb Weston's agricultural biogas recovery system in Richland, Washington

Other Cascade RNG projects include:

- Partnering with developer Burnham SEV, Pasco LLC and the city of Pasco, Washington, to use RNG production that is created from food-processing wastewater at the city's Process Water Reuse Facility. The facility treats wastewater from several industrial food processors. Cascade will build the pipeline and interconnection facilities to inject the RNG directly into its distribution system in Pasco.
- A long-term agreement to build an RNG production facility at Deschutes County's Knott Landfill. Cascade will produce RNG from the landfill to inject into its distribution system for Bend, Oregon.
- Partnering with Divert Inc., a company specializing in handling industrial waste, to site an RNG facility in Longview, Washington. Divert will aggregate food waste from chain groceries and process it into RNG. Cascade is constructing the pipeline and interconnection facilities to inject RNG into its Longview distribution system.

In Idaho, Intermountain added RNG from four dairy digesters:

- Projects came online in October 2019, August 2020, September 2020 and February 2024.
- As of December 31, 2023, Intermountain received more than 1.9 million dekatherms of RNG from the digesters.

Intermountain has executed contracts for two additional projects:

- A landfill site is expected to be online in the third quarter of 2024.
- A dairy digester project, which will be the first to require excess RNG to be injected from Intermountain's system into a transmission pipeline owned by Williams Companies, is projected to be online by the first quarter of 2025.

Montana-Dakota has produced:

- RNG from the Billings Regional Landfill in Montana since 2010, cumulatively producing approximately **1.66 million** dekatherms of RNG through year-end 2023.

ONE Future Coalition



The Our Nation's Energy Future Coalition (ONE Future Coalition) is a group of more than 50 natural gas companies working together to voluntarily reduce methane emissions across the natural gas value chain to 1% or less by 2025. It comprises some of the largest natural gas production, gathering and boosting, processing, transmission and storage, and distribution companies in the U.S. MDU Resources is a member of the ONE Future Coalition, participating in data submission and emission-reduction brainstorming. Learn more about our involvement [here](#).



Hydrogen Blending



MDU Resources believes hydrogen in the future may be an option to help meet the dual goals of decarbonizing energy pipelines while maintaining the benefits of reliability and resiliency provided by natural gas distribution systems.

- Hydrogen blending is proven to be a safe, reliable option in specific applications and as a replacement option to traditional natural gas.
- Some utilities have initiated hydrogen blending projects in recent years. One has been successfully blending hydrogen up to 15% for customer use.
- Currently, hydrogen is more cost prohibitive than other RNG options for gas system decarbonization, however it is expected to become more cost effective as the technology is further developed.

Cascade's supply modeling for customers in the company's 2023 Integrated Resource Plan includes the potential to blend hydrogen with traditional natural gas and RNG.

- Cascade is evaluating hydrogen projects with developers and customers, exploring how the company can support technology development and participate in pilot project opportunities.
- While Cascade recognizes that thorough testing needs to be performed before hydrogen can be utilized in our distribution system, we continue to learn about hydrogen blending and monitor ongoing studies that are evaluating the potential for hydrogen distribution.
- Cascade follows ongoing research, including Hydrogen Shot, H2Hubs, Low-Carbon Resources Initiative and the Gas Technology Institute Hydrogen Technology.

Pipe Replacements

Along with our commitment to reduce methane emissions from excavation damage and leaks, MDU Resources' companies have completed operational and infrastructure changes to comply with federal requirements that lower methane emissions. We're focused on replacing older pipelines with pipelines made of newer materials, such as polyethylene. Our utility companies have no unprotected steel pipeline and no leak-prone cast iron pipe in their systems.



Our utility companies replace approximately
60 miles
of distribution mainline and
3,500 service lines
each year.

Equipment Replacements

WBI Energy continually evaluates the efficiency and effectiveness of its operating facilities, and proactively replaces existing facilities with newer, more fuel-efficient and lower-emitting equipment.

- Since 2011, 23 legacy natural gas-fired compressor engines have been replaced with new equipment subject to more stringent emissions standards and control requirements.
- These projects have reduced the amount of potential natural gas consumed by more than 250 million cubic feet per year.

When designing and building new facilities, WBI Energy installs electric compression where feasible. Since 2017, the company has installed electric-driven compression at three compressor stations, saving approximately 667 million cubic feet per year of natural gas from being burned as compressor fuel.

WBI Energy's efforts to replace legacy facilities with lower-emitting equipment and install electric-driven compression where feasible at new facilities have resulted in CO₂ equivalent reductions and savings of approximately 13,650 and 36,000 metric tons at legacy and new facilities, respectively. These projects also reduced nitrogen oxide emissions by more than **1,876** tons per year.

Leak Detection

MDU Resources is poised to begin using Picarro advanced mobile leak-detection technology in mid-2024 in Washington and North Dakota. In Washington an emissions survey will be performed, allowing for greater emission reductions. This project also will allow us to better quantify our emissions. In North Dakota, a compliance survey will be performed to improve leak detection.

Picarro Technology



Reducing Emissions through Energy Audits

Cascade began offering energy audits to customers in 2023 to help reduce emissions.

- Technicians collect usage data and facility history and perform an onsite walkthrough and inspection.
- Customers receive a customized summary of opportunities for improvement, including suggestions like replacing natural gas equipment with higher-efficiency models.

Damage Prevention

Our public awareness and damage prevention managers and coordinators spearhead a comprehensive approach to distribution pipeline damage prevention. They focus on outreach initiatives aimed at reducing excavation damage and methane releases. By directly engaging with contractors and excavators through field interactions, meetings and training events, we've seen a noticeable decline in excavation damage incidents and an increase in line location requests on our systems.

Cascade, Intermountain and Montana-Dakota conduct thorough investigations into pipeline damages, collecting crucial information to analyze trends and mitigate risks on a quarterly basis. Outreach efforts include:

- Multifaceted educational campaigns designed to promote safe excavation practices.
- Direct mailers.
- Public event participation.
- Active participation in 811, Common Ground Alliance.

YOU MIGHT NOT KNOW THE AREA AS WELL AS YOU THINK!

ALWAYS contact 811 before putting your shovel to the ground!

CALL 811 OR VISIT WWW.CALL811.COM BEFORE DIGGING

MONTANA-DAKOTA
UTILITIES CO.
A Subsidiary of MDU Resources Group, Inc.
In the Community to Serve®

www.montana-dakota.com



Minimizing Pipeline Construction Impacts

WBI Energy understands the importance of protecting environmental resources when developing plans to expand or replace its pipeline system. When identifying routes for pipeline rights-of-way, extensive studies are conducted relating to cultural resources, wetlands and water bodies, endangered species and other sensitive resources. WBI Energy puts significant effort into routing lines, to the extent possible, to avoid sensitive environmental resources. When sensitive resources are crossed by a pipeline or exist adjacent to a construction corridor, WBI Energy works closely with subject matter experts and resource management agencies to develop plans to reduce or mitigate impacts.

Third-party environmental inspectors closely monitor WBI Energy's construction activities to ensure adequate protection of resources. Work adheres to applicable regulations and permits as well as company-developed, project-specific plans for dust mitigation, protection of unanticipated cultural resource discoveries, spill prevention and noxious weed management, as examples.

WBI Energy recognizes that the land crossed by its pipeline system often belongs to other stakeholders, whether privately held or public lands, and it is critical to return construction workspaces to their original condition or better. WBI Energy works closely with landowners and land managing agencies to reclaim pipeline rights-of-way and continuously monitors reclamation activities until they are complete.

REGULATED ENERGY DELIVERY - SOCIAL

At the heart of our "CORE" strategy are several important social considerations: **customers, communities and employees**. We are committed to operating with integrity and being a good corporate citizen, which is how we have done business for the past 100 years. Doing the right thing has always been a part of our fabric. We consider it a privilege to partner with our customers and communities, and we are "In the Community to Serve."

Social Strategy and Goals

Employees

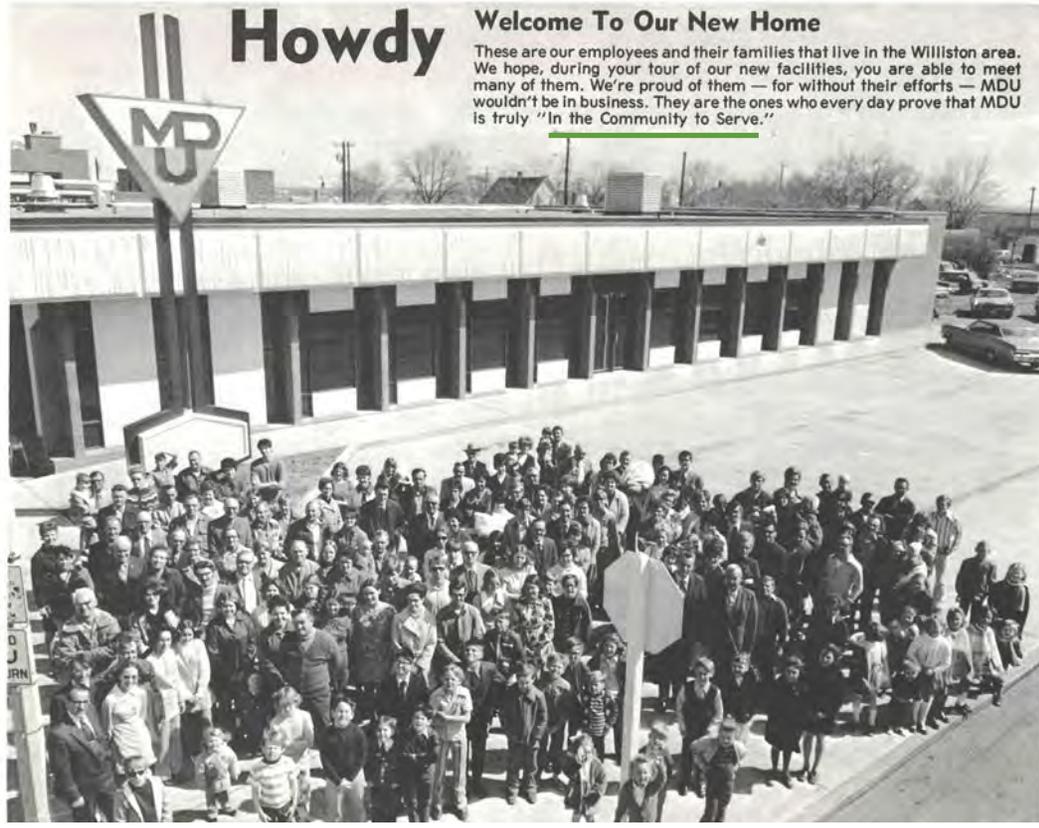
- Maintain an employer-of-choice workplace culture.
- Provide a competitive total compensation package.
- Foster a diverse, inclusive and respectful culture.

Communities

- Support economic development.
- Provide charitable support.
- Promote volunteerism.

Customers

- Sustain best-in-class customer satisfaction.
- Provide utility services to customers at a cost below the national average, while providing safe, reliable and environmentally responsible service.



Montana-Dakota placed a notice in the May 1, 1972, edition of the Williston Daily Herald to announce the company's new service center in Williston, North Dakota.

Our Employees

Our employees are the driving force behind everything we do. For more than a century, our organizational culture has not only sustained our growth but also ignited our workforce. MDU Resources' corporate policies address issues such as: [Human Rights](#), [Equal Employment Opportunity](#), [Harassment](#), [Preventing Violence in the Workplace](#) and [EEO/Affirmative Action](#), as well as other topics that provide our team members with information about the corporation's employment philosophies.

MDU Resources prioritizes building a strong team of employees who focus on:

- Integrity
- Putting safety first
- Inclusion of all co-workers

We have a long history of focusing on a respectful workplace for all team members, providing development opportunities for employees at all levels of the organization and balancing pay equity across our entities. In recent years, we have increased visibility into our diversity, equity and inclusion programs and remain focused on ensuring our culture aligns with these priorities. As of December 31, 2023, employee counts were:

Business Segment	Total Employees	Union	Non-Union	Male	Female
MDU Resources Corporate Office	224	0	224	145	79
Utility	1,520	617	903	1,109	411
Pipeline	321	68	253	261	60
Total Employees	2,065	685	1,380	1,515	550



Collective Bargaining

MDU Resources and its business segments respect the rights of our employees to join, form or not to join a labor union, consistent with applicable organizing laws, without fear of reprisal, intimidation or harassment. Certain employees of the regulated energy delivery business are represented by the International Brotherhood of Electric Workers (IBEW), the International Chemical Workers Union (ICWU), and the United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada (UA). Where employees are represented by a legally recognized union, MDU Resources is committed to establishing a constructive dialogue with their freely chosen representative and bargaining in good faith.

Team members covered by collective bargaining agreements have the ability to file with the corporation or through MDU Resources' anonymous reporting hotline any concerns they may have about the workplace.

Communication

We encourage open communication among employees and use a variety of tools to meet employee needs. While in-person meetings are preferred, due to geographic differences, we also use newsletters, electronic meetings, mailings, social media and a variety of other tools.

While we strive to keep employees informed, we also need to hear from them to gauge their viewpoints on issues such as fairness, camaraderie and pride within the workplace. We generally conduct a corporatwide employee survey every two years, with the next employee survey scheduled for 2025.

Affirmative Action and Equal Employment Opportunity

We are dedicated to being the employer of choice for the broadest pool of talent and skill. MDU Resources is committed to equal employment opportunity and affirmative action, striving to achieve or exceed all EEO and affirmative action laws, directives and legislation. Our [EEO/Affirmative Action Policy](#) is shared annually with employees.

Our most recent [EEO Employer Information Report](#) can be found on our website.

Employment Philosophy

We hire employees with the skills, abilities and motivation to achieve the results needed for their roles. Each position is important and part of a coordinated effort to accomplish our objectives. Our five general philosophies guide our expectations for employees' actions:

1. Teamwork and cooperation
2. Open communication
3. Mutual trust and respect
4. Increasing standards
5. Individual responsibility

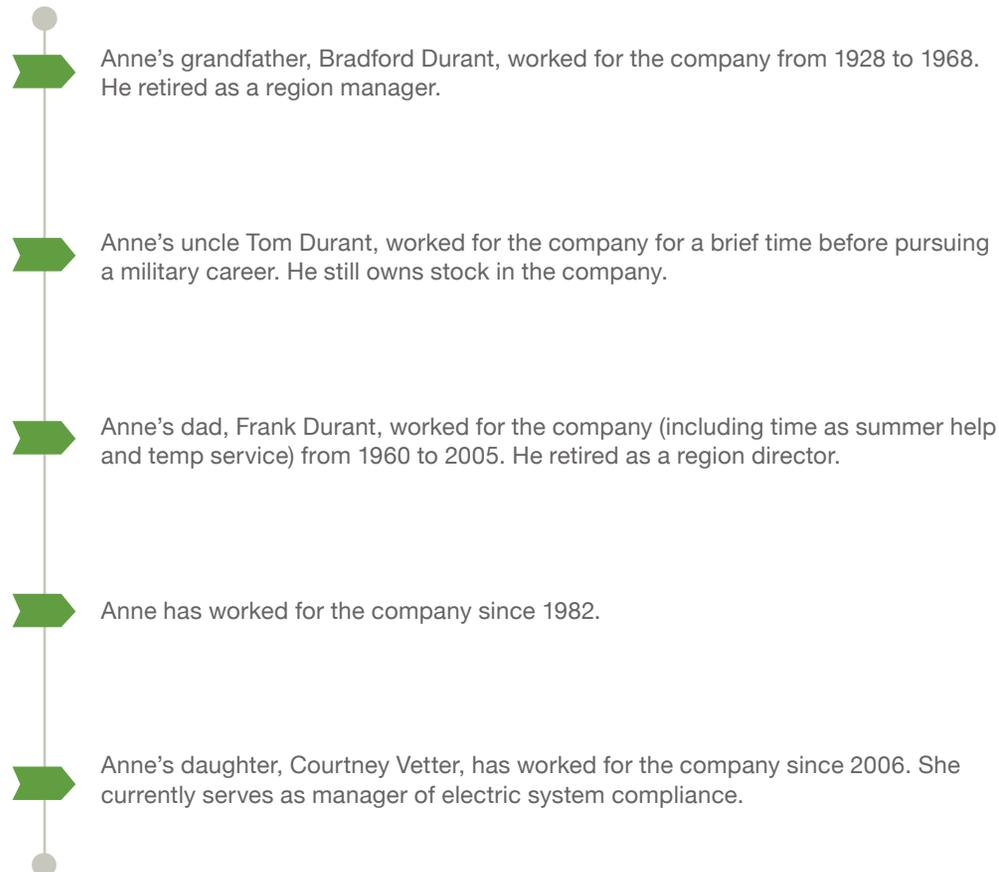
There are a number of examples within MDU Resources that demonstrate how employees wholeheartedly embrace the company values, to the extent that they actively recommend a career at MDU Resources to their family members.

Employer of Choice

For over a century, MDU Resources has a deep culture of family belonging and care. For MDU Resources, it's about going above fleeting trends and operating from a deeply engrained ethos of doing what is right.

Our vice president and chief human resources officer, Anne Jones, stands as a testament to the enduring legacy of family within our company. Anne's story, like several others, is one of multi-generational dedication and commitment. The thread of MDU Resources' influence runs deep in her family's legacy. Yet, Anne's narrative is not unique within MDU Resources. Across our organization, there are countless stories of brothers, sisters, and multiple generations who have contributed their talents and dedication to the growth and success of the company. These ties weave a narrative of commitment, loyalty and shared values that have defined our company for decades, creating a supportive environment where individuals are empowered to thrive and grow.

Within MDU Resources, the presence of these family legacies speaks volumes about the company's culture and values. It's more than just a workplace; it's a community where bonds are formed, nurtured and passed down through the generations. It's not just about the work we do or the services we provide; it's about the people who make it all possible.



picture
not
available



Employee Recruitment

Building a strong workforce begins with employee recruitment. We understand that our workforce is not just a collection of individuals, but a team bound by shared values and aspirations. We have initiated a greater focus over the past few years to ensure we are broadening our outreach to diverse employment candidates and use a variety of means to recruit new employees for open positions, including:

- Postings on our website at jobs.mdu.com
- Employee referrals
- Union workforce
- Direct recruitment
- Advertising
- Social media
- Career fairs
- Partnerships with colleges and technical schools
- Job service organizations
- Professional associations

We also use paid internship programs to introduce individuals to our business operations and provide a possible source of future employees.



Career Development

Developing employees in their current positions for future advancement is another way we build a strong workforce. We provide opportunities for advancement through:

- Job mobility
- Succession planning
- Promotions within and between business segments
- Training
- Internship programs
- Mentorship programs

Building a Strong Workforce Program. MDU Resources' regulated energy delivery companies provide all employees an opportunity in mentoring and job shadow programs on an annual basis. Additionally, through succession planning, high-potential employees are identified and provided with developmental opportunities that help prepare them for future opportunities and advancement within the organization. Our companies partner with third-party leadership development groups and provide internal development opportunities that help prepare our future leaders. MDU Resources' Environmental and Sustainability Committee of the Board of Directors receives annual reports on the individuals and the development that is being provided to all candidates for succession.



Brian Weisbeck (left) and Cory Fong (right) celebrated the close out of the mentoring program by going to lunch in their classic cars!

REGULATED ENERGY DELIVERY - SOCIAL

Required Training

MDU Resources employees are required to complete training on a variety of topics. The company uses a third-party vendor to administer the training programs. Required training includes:

Diversity - Training helps clarify the concept of diversity and differentiate it from affirmative action; identifies the different characteristics that make people diverse; addresses stereotyping; and outlines steps to address diversity challenges.

Effective leadership - Curriculum emphasizes key tenets of effective leadership, such as communication, performance standards and expectations, feedback, commitment to success and employee development.

Sexual harassment - Helps supervisory employees recognize and prevent sexual harassment, discrimination and retaliation.

Workplace harassment - Helps employees understand workplace harassment, how it happens and how to avoid engaging in harassing behavior.

Code of conduct - Annual training on the company's code of conduct, the "Leading With Integrity Guide."



Competitive Benefits

Health and Well-Being	Work/Life	Retirement Planning
Medical, dental, vision plans for employees and dependents	Vacation and sick leave, paid holidays, parental and adoption leave	401(k) retirement savings plan with company match of 50% - up to 6%
Flexible spending accounts (FSA) for health care and dependent care and a partial company funded health savings account (HSA) for health care	Hybrid work option (depending on position)	401(k) company retirement contribution of 5%
Company paid basic life insurance and the option for employees to purchase additional insurance for self and spouse, as well as AD&D Insurance	Full-time telecommute programs (upon approval)	401(k) profit sharing contribution if established goals are achieved up to 3% (for specific salary grades)
Employee Assistance Program	Educational assistance programs	Free investment education for employees
Company paid mental health and wellness programs	Onsite wellness programs	Advanced education on investing for employees at a paid fee by the employee



Respecting Differences and Embracing Strengths

MDU Resources is committed to an inclusive environment that respects the differences and embraces the strengths of our diverse employees. Our ability to attract, retain and engage the best people from a broad range of backgrounds while building an inclusive culture where all employees feel valued and contribute their best is essential to our success. To support our commitment to an inclusive environment, each of our businesses has a diversity officer who serves as a conduit for diversity-related issues and provides a voice to all employees.

Our three strategic goals related to diversity:

- Enhance collaboration through cooperation and sharing of best practices to create new ways of meeting employee, customer and stockholder needs.
- Maintain a culture of integrity, respect and safety by ensuring employees understand these essential values.
- Increase productivity and profitability through a work environment that values all perspectives and methods of accomplishing work. Our executive officers are also committed to programs that enhance our commitment to diversity, equity and inclusion and over the past three years have been assigned goals by our Compensation Committee of the Board of Directors to further enhance our social and employee commitment.



“Montana-Dakota fully supported my participation in Native Nation Rebuilders, a two-year leadership program for Indigenous changemakers.

My manager worked with the program’s schedule so I could attend every session. This shows that Montana-Dakota not only cares about my development, but also the well-being of my community of the Mandan, Hidatsa and Sahnish Nation.

Jess Hall, *Senior Engineer*
MDU Utilities Group

Energize Diversability

In 2024, MDU Resources implemented a pilot program we’re calling “Energize Diversability.” This program brings people with disabilities into the workplace through customized employment opportunities. “Energize Diversability” is MDU Resources’ initiative to actively promote the inclusion and empowerment of diverse abilities within our business. This initiative underscores the value of diversity in our workforce, emphasizing the dynamic engagement and enhancement of opportunities for individuals of all abilities, focusing on their potential and contributions rather than limitations.



I was excited when I got this job and look forward to coming to work each day. The people are nice, and I’ve learned how to use Excel to do reports.

Xavier Cornell, *Temporary Clerk*
MDU Resources





MDU Resources, along with more than 2,500 other organizations, is signatory to the CEO Action for Diversity and Inclusion Pledge. With this pledge, we are committed to four goals that center on being a catalyst for further conversations and action around diversity and inclusion in the workplace.

The four goals include:

1. Cultivating environments that support open dialogue on complex and often-difficult conversations.
2. Implementing and expanding education and training on unconscious bias.
3. Sharing best-practice diversity, equity and inclusion programs and initiatives, as well as those that have been unsuccessful.
4. Engaging boards of directors when developing and evaluating diversity, equity and inclusion strategies.

Diverse Supplier Spend

To further MDU Resources' commitment to stewardship and diversity, the Compensation Committee of the Board of Directors added a social modifier to our executives' annual incentive performance measure to implement systems in 2024 which will enable us to capture our diverse supplier spend to allow us to report the information in 2025.

Employee Recognition

MDU Resources and its major business units, utility, the pipeline and construction services, encourage employee involvement and development in a variety of areas through special recognition, including:



The **Einstein Award** recognizes the best process improvement ideas that contribute in a measurable way to improving the company's bottom line and are vital to the company's success.



The **Community Spirit Award** recognizes employees who are actively involved in their community.



The **Summit Award** recognizes employees who make the company a better place to work.



The **Environmental Sustainability Award** recognizes an employee program, project or activity that reflects the company's environmental policy and philosophy.



The **Hero Award** recognizes employees who go above and beyond the call of duty to save another's life.

Community Spirit Award Winner



MDU Resources recognized two employees for its Community Spirit Award: Mark Haag, manager of project Maximo and process improvement; and Shane Wothe, manager of enterprise endpoints and technical service.

Both Haag and Wothe are involved in Rebuilding Together, a non-profit that helps people with physical or income limitations make essential repairs to their homes. Haag and Wothe serve on the Executive Committee: Haag as the president and Wothe as the treasurer. They volunteer year-round in preparation for Rebuilding Together, doing tasks ranging from conducting meetings, fundraising and reviewing applications to touring

and selecting homes, coordinating volunteers and purchasing materials for the annual event. Last year, more than 20 homes in the community received improvements.

MDU Resources employees based in Bismarck-Mandan, North Dakota, volunteered at the 2023 annual Rebuilding Together event in the community. Over two weekends, a total of 21 employees representing MDU Resources and Montana-Dakota Utilities shared their time and talents to improve two homes. MDU Resources also sponsored two of this year's 18 Rebuilding Together projects.

During the first weekend, volunteers made repairs to the home of an elderly disabled person. The largest part of the project was to relevel the front porch and rebuild the existing set of entry stairs, which were falling apart and creating a safety hazard for the homeowner. Smaller repairs done by the team ranged from repairing window screens to replacing flooring to caulking windows and many other tasks.

The next weekend, volunteers had a long to-do list at the second house. The tasks included lawn and yard care, painting walls, cabinetry, replacing flooring and subflooring, and much more.

Our Communities

MDU Resources makes a positive economic impact in the communities where we do business, including through employee compensation; federal, state and local taxes; charitable donations; and infrastructure and equipment investments. In addition to our federal and state income tax obligations, MDU Resources paid more than **\$56 million** in property and use taxes to state and local jurisdictions in 2023.

Consideration for Environmental and Social Justice

MDU Resources strives to ensure all stakeholders are afforded the same degree of protection from environmental and health hazards, and have equal opportunity for engagement in our projects.

Our companies give consideration and conduct special outreach to stakeholders identified as potentially having reduced accessibility to information about active projects and engagement opportunities because of race, color, national origin or income. Outreach efforts include identifying stakeholders within project areas and attempting to convey information and receive feedback via a form that best fits those stakeholders' needs, which may include direct mailings, community meetings, trusted partnerships and face-to-face conversations.

Charitable Giving Through the MDU Resources Foundation

MDU Resources is proud of its record of supporting qualified organizations that enhance quality of life. Our philanthropic goal is to be a "neighbor of choice." The MDU Resources Foundation was incorporated in 1983 to support our corporation's charitable efforts and has contributed more than **\$44 million** to worthwhile organizations. All our past and present operating companies have contributed to the foundation over time — including our utility and pipeline companies, as well as Everus — discussed [here](#).

In addition to the foundation donations, MDU Resources' companies contribute directly to charitable organizations through various donations and in-kind contributions.

Areas of Corporate Philanthropy

The MDU Resources Foundation will consider requests in the following categories:



Health and Human Services

Recognizing the critical role of quality and accessible health care and human services, the MDU Resources Foundation supports national and local health and human services agencies, hospitals, youth agencies and senior citizen organizations.



Education

Given the importance of education in building strong individuals, families and communities, the MDU Resources Foundation supports private secondary and higher education institutions, education development foundations, economic education programs and scholarships.



Civic and Community Activities

Strengthening communities - improving lives. These are the goals of the MDU Resources Foundation as it funds programs that create opportunities and meet the needs of communities across the country.



Culture and Arts

The MDU Resources Foundation has had a longstanding interest in culture and the arts and seeks to promote positive youth development through culture and the arts by funding art funds and councils, museums, theaters, libraries and cultural centers.



Environment

The MDU Resources Foundation funds organizations that promote the wise use of resources without compromising the ability of future generations to meet their own needs. We strive to be good stewards in the communities we serve.

We Give – 2023 Results

2023 Actual		
Program Area	# of Grants	Amount
Civic/Community	224	\$ 953,410
Culture/Art	35	\$ 87,870
Education	160	\$ 452,791
Environmental	43	\$ 101,750
Health/Human Services	148	\$ 500,469
	610	\$ 2,096,290

2023 Highlights

600
organizations supported in 23 states

\$99,000
donated as match for volunteer hours

7,694
volunteer hours reported by employees

\$7,531
donated as match for educational institutions

\$2.10 Million
Total given to strengthen our communities.

Celebrating 40 Years of Giving!

Employee Education Match Program		Employee Volunteer Match Program	
Employee Contributions:	\$21,281	Number of Employee Volunteer Hours:	7,694
Company Match:	\$7,531	Company Match:	\$99,000
Number of Schools Supported:	20	Number of Charities Supported:	133
Contributions to Date:	\$1,019,349	Contributions to Date:	\$622,250

CORE Customers & Communities • Operational Excellence • Returns Focused • Employee Driven

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7 Appendices

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Ten Nonprofits From Five States Selected to Receive a \$10,000 Grant



To celebrate MDU Resources’ 100th anniversary, the MDU Resources Foundation is donating **\$100,000** to charities in communities where the company operates. This amount is in addition to the foundation’s nearly \$1.8 million in scheduled grants for 2024. To broaden the impact, ten charities will each receive a **\$10,000** donation.

“Rolland Heskett founded MDU Resources in 1924 on the value of ‘when communities thrive, we thrive,’” said Nicole Kivisto, president and CEO of MDU Resources. “One hundred years later, the company still embodies this value, and we can’t think of a better way to celebrate our 100th anniversary than by supporting charities that help make our communities better places to live.”

Employees with MDU Resources companies were invited to nominate their favorite charity to be considered for one of the grants.

The ten nonprofits selected to receive a \$10,000 grant are located in five states and include:

North Dakota

- Central Dakota Humane Society, Mandan
- Inspiring Minds, Bismarck
- Lake Region Corp., Devils Lake
- Western North Dakota Honor Flight, Bismarck

Montana

- Glendive Community Cancer Fund, Glendive
- Montana Supporting Military, Helena
- Mount Olive School, Billings

Idaho

- Pocatello Free Clinic, Pocatello

Washington

- Kitsap Humane Society, Silverdale

Wyoming

- Polestar Outdoors, Cody

“These grants are special, not just because they commemorate MDU Resources’ 100th anniversary, but also because our employees had a role in the selection process,” said Cory Fong, president and director of the MDU Resources Foundation. “These grants reflect our employees’ community spirit and generosity.”



Wow! Speechless! A simple “thank you” doesn’t seem adequate for such generosity! We are so appreciative MDU Resources Foundation has offered this opportunity for local non-profits to continue our missions. Forever grateful to MDU Resources and their employees.



Kourtney Stortz, *President*
Glendive Community Cancer Fund



Oh my goodness. I’m not sure there are words to express how much this means to me and how much it will mean to families and schools across our region. Our little nonprofit trying to do something about dyslexia often feels like “The Little Engine that Could.” It is such an enormous honor to be chosen to receive your generous grant, and it will help us immensely. Thank you so very much!



Alysia Budd, *OTR/L Founder & Director*
Inspiring Minds, Center for Dyslexia and Literacy



Yea!! We are so excited to be chosen! Thank you so much.



Sherrie Joseph, *Executive Director*
Pocatello Free Clinic

The **Operational Excellence** pillar of our “**CORE**” strategy includes safety — both employee and system safety. Throughout our history, employee welfare has been paramount, with safety a cornerstone of our culture. From early energy construction projects to the wind turbines of today, we have upheld the American spirit of hard work while protecting the well-being of our people.

Our Safety Commitment

We adhere to seven key principles regarding safety:

1. All injuries can be prevented.
2. Working safely is a condition of employment for all employees.
3. Management must demonstrate leadership in preventing injuries by providing a safe work environment, adequate resources and appropriate follow-up on any unsafe conditions or actions.
4. All employees are responsible for preventing injuries to themselves and others.
5. All operating exposures can be safeguarded or controlled.
6. Training employees to work safely is essential.
7. Preventing personal injuries and property damage is good business.

We have a goal of **zero workplace injuries**. Our employee-related safety results for 2023:

RIR	2023	2022	2021
MDU Utilities Group	1.79	3.09	2.29
WBI Energy	1.94	1.30	0.99
Industry Average	1.38	1.52	1.54
DART	2023	2022	2021
MDU Utilities Group	1.26	1.84	1.44
WBI Energy	1.30	0.33	0.66
Industry Average	0.88	0.99	0.96

RIR - Recordable Incident Rate DART - Days Away, Restricted or Transferred

The Industry Average Rates are combined for MDU Utilities Group and WBI Energy and adjusted for the proportional hours worked for the employees in each business segment.

The Environmental and Sustainability Committee of the Board of Directors reviews company safety metrics at its regular quarterly meetings.



Safety has always been one of our values. Picture from the mid-1950s during the construction of the now-retired Sidney Power Plant with emphasis on construction days without a lost time accident.



At left, Senior Human Resources Generalist Andrea Aldinger and, at right, President and CEO Nicole Kivisto, buckled up to learn more about wind towers.

Safety Management System

MDU Resources' electric utility has a comprehensive safety management system that continuously improves operations, prioritizing employee safety, public safety, environmental protection and operational risk reduction. The system uses a risk-based, data-driven approach that is applied to all aspects of our electric distribution and transmission operations.

Our utility operations steering committee ensures we have effective processes in place to implement and maintain a mature safety management system.



Electric System Resiliency/Wildfire Mitigation

MDU Resources works constantly to ensure the safety and reliability of our electric system. Our efforts are guided by National Electrical Safety Code, Occupational Safety and Health Administration (OSHA) and other state and federal standards, as well as our own operational processes.

We have numerous ongoing operational processes in place to reduce operational, reliability and safety risks, including inspection programs for structures and facilities, tree trimming, line patrols and engineering reviews.

We've recently bolstered our processes and practices in several areas to further mitigate safety and reliability risks. Our latest efforts include:

System Monitoring

- Installing electric distribution supervisory control and data acquisition (SCADA) to provide added visibility and control of the system. Systems serving 80% of our electric customers are tied into SCADA equipment, and that number continues to grow.
- Increasing staff responsible for electric system monitoring and dispatch.
- Deploying an automated outage management system to track and document outages to identify areas for improvement.

Inspections

- Development of an annual underground distribution device inspection program, rotating through all assets on a seven-year schedule.
- Development of a premise inspection program to help mitigate safety and reliability risks at our customer service locations.

Other

- Modifying rural construction standards design to ensure compliance with avian protection standards.
- Expanding our wildfire risk mitigation plan to include detailed area risk mapping to direct future risk reduction projects.

Certain wildfire mitigation measures the company utilizes include:



Vegetation management and inspections



Situational awareness and forecasting



Grid design and system hardening



Operational practices and protocols



Asset management, inspections and maintenance

Safety Management Systems

MDU Resources' gas utility and its pipeline company also have comprehensive safety management systems that continuously improve operations, **prioritizing employee safety, public safety, environmental protection and operational risk reduction.**

The systems use a risk-based, data-driven approach that is applied to all aspects of our natural gas distribution and transmission operations.

At our utility business, an operations steering committee ensures we have effective processes in place to implement and maintain a mature safety management system. At our pipeline business, a team of representatives from various work groups reviews all operational, safety and environmental events and uses the findings to measure performance and provide guidance for strengthening the overall safety and reliability of company facilities.



Utility Pipeline Management Programs

Our distribution integrity management program (DIMP), which is required by the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA), demonstrates an understanding of the distribution system design and material characteristics; describes the operating conditions and environment; provides maintenance and operating history; identifies existing and potential threats; evaluates and ranks risks; identifies and implements measures to address risks; measures program performance; monitors results; evaluates effectiveness; and periodically assesses and improves the plan.

Another program required by PHMSA, the transmission integrity management plan (TIMP) identifies, prioritizes, assesses, evaluates, repairs and validates the integrity of transmission pipelines that could, in the event of a leak or failure, affect high-consequence areas.

As part of MDU Resources' natural gas utility companies' DIMP and TIMP plans, we use a risk analysis to evaluate the information collected as part of the DIMP and TIMP to find areas of concern and trends. This enables our companies to quantify the risk associated with each pipeline and identify pipelines that should be addressed.

When replacement locations are identified, projects to address the area are planned and prioritized. This helps ensure the replacement of pipeline segments with an elevated risk. Our utility companies continuously obtain new information for their DIMP and TIMP risk analysis and Pipeline Replacement Plan through these methods:

- Observing trends, DIMP and TIMP are analyzed on an annual basis. The analysis includes reviewing leak information, failure analysis and system condition data to identify trends.
- Gathering new information related to the physical attributes or operation and maintenance through normal activities using forms or other methods.
- Holding subject matter expert panel meetings on a periodic basis.
- Updating DIMP and TIMP risk analysis annually, which are used to prioritize pipeline replacement projects.
- Continuous improvement: the assessment, prioritization and mitigation of system risks continue to be refined as new and additional risk knowledge is incorporated into DIMP and TIMP through normal activities.



Pipeline Integrity Management Program

WBI Energy's pipeline integrity management program provides guidelines for the continual evaluation of its pipeline system using risk-based criteria that allows the company to take proactive measures to ensure public safety and protect the environment. WBI Energy developed the program in 2004 in response to U.S. Pipeline and Hazardous Materials Safety Administration rules.

WBI Energy uses a prescriptive-based approach to integrity management that incorporates mandatory and non-mandatory information into the program to ensure it operates a safe and effective pipeline system. WBI Energy's pipeline integrity management program is intended to meet the requirements of the U.S. Department of Transportation Integrity Management Plan Rule, which specifies regulations to assess, evaluate, repair and validate the integrity of natural gas transmission lines that, in the event of a leak or failure, could affect high-consequence areas.

As part of this program, WBI Energy uses risk-based software to model its pipeline system and predict potential areas of concern. The risk intelligence platform is a data-driven integration and analysis tool that incorporates data from various company sources to assign risk to all segments of its pipeline system. The risk assessment helps WBI Energy prioritize replacement and restoration projects relative to areas of consequence.

Additional measures WBI Energy has taken with its pipeline integrity management program include strength testing, direct assessments, in-line inspections and incorporating thicker-wall pipe into designs that traverse densely populated areas.



Contractor Expectations

MDU Resources' goal is to ensure safe operations and compliance with OSHA standards by our subcontractors for the protection of employees and the public.

MDU Resources' [Vendor Code of Conduct](#) outlines our expectations of vendors, including ethical business practices, workplace safety, environmental stewardship and compliance with applicable laws and regulations.

- Subcontractors are requested annually to provide information about their safety programs and recordable and lost-time incidence rates.
- Subcontractors whose programs are deemed inadequate are provided with our company safety policies and training for their personnel.
- Subcontractors are required to follow the accident prevention and safety programs of our companies.
- Subcontractors are required to submit a job site safety plan before commencing work on a project.

Cybersecurity

Cybersecurity has emerged as a critical factor in protecting sensitive information and sustaining the trust of our stakeholders and as an emerging threat to operations, whether in operating the electric grid or pipelines in a reliable and safe manner. Our company proactively addresses the risks associated with cybersecurity threats by providing ongoing comprehensive training and compliance programs for all employees who interact with our data and essential systems.

Also, our company has operational technology, consisting of the hardware and software that monitors and controls devices, processes and infrastructure. Security protocols for this technology follows applicable North American Electric Reliability Corporation (NERC), Federal Energy Regulatory Commission (FERC) and Transportation Security Administration (TSA) regulations and security directives.

Affordable Energy for Our Customers

MDU Resources' commitment to energy affordability shines through our partnerships with communities. All our utilities partner with local community action agencies to provide low-income assistance for utility customers.

Cascade promotes efficient and sustainable use of natural gas for residential, commercial, industrial and low-income customers:

- In Oregon, rebate programs for energy-efficiency upgrades and weatherization through the Energy Trust of Oregon are available to residential, commercial and industrial customers. Weatherization services are offered in partnership with Community Action agencies and community-based organizations.
- In Washington, rebates are available to residential, commercial and industrial customers through the long-standing Conservation Incentive Program, which encourages customers to install high-efficiency appliances and use efficiency measures. Cascade presents its proposed program in a Conservation Plan submitted biennially to the Washington Utilities and Transportation Commission. Results of the program are reported annually to the commission.
- Partnerships with local organizations, including Sustainable Connections, the Sustainable Living Center and Community Action agencies, encourage community-focused cooperative reduction efforts.
- Cascade is a member of the Northwest Energy Efficiency Alliance (NEEA) Natural Gas Market Transformation Collaborative, which is focused on advancing development and market adoption of energy-efficient natural gas products, practices and services in the Pacific Northwest.



In the Community to Serve®

Intermountain promotes ways to save money and conserve energy for homes and businesses:

- Energy Efficiency Program offers rebates for installing high-efficiency natural gas appliances and for new homes constructed with energy efficient designs.
- The commercial energy efficiency program offers commercial customers ways to implement high-efficient options in their business.
- Partners with organizations in its service territory to inform and raise awareness about energy efficiency.
- Through its membership in GTI Energy, it benefits from the Utilization Technology Development group that tests and demonstrates safe, energy-efficient, environmentally friendly and cost-effective technologies to benefit gas customers.
- Through its membership in the North American Gas Heat Pump Collaborative since its inception, it is supporting accelerated adoption of innovative gas technologies that will reduce carbon emissions.
- Through its membership in the Low-Carbon Resources Initiative (LCRI), which is a joint venture between GTI Energy and the Electric Power Research Institute, it is supporting accelerated development and use of low-carbon energy technologies. LCRI targets advancements in low-carbon electric generation technologies and low-carbon energy carriers, such as hydrogen, ammonia, synthetic fuels and biofuels.



In the Community to Serve®

Montana-Dakota and **Great Plains** promote the efficient use of natural gas for residential, commercial, industrial and low-income customers:



A Subsidiary of MDU Resources Group, Inc.

In the Community to Serve®

Montana-Dakota

- Offers Energy Efficiency rebates in Montana and South Dakota for residential and commercial customers who install high-efficiency natural gas equipment.
- Offers residential and commercial incentive programs in Montana that promote installation of energy-efficient electric equipment.
- Has commercial demand-response programs in its electric service areas in Montana, North Dakota and South Dakota. These programs include interruptible rates and an electric demand response program in which customers can enroll.



A Division of Montana-Dakota Utilities Co.

In the Community to Serve®

Great Plains

- Offers residential, commercial and industrial energy efficiency programs through a long-standing conservation incentive program in Minnesota (currently operating under Energy Conservation and Optimization Act (ECO)) that promotes the installation of high-efficiency natural gas equipment and end uses. Great Plains files its proposed portfolio of programs with the Minnesota Department of Commerce triennially and results are reported annually to the department.
- As part of Great Plains' ECO portfolio of programs we partner with local community action agencies in Minnesota to administer a low-income weatherization and emergency equipment replacement program.

Affordable Energy

Cascade implemented the Cascade Arrearage Relief and Energy Savings (CARES) program, which went into effect October 1, 2023. It is designed to help customers who need assistance paying their Cascade bill.



Cascade customers previously received energy assistance through the Washington Energy Assistance Fund (WEAF), which expired on Sept. 30, 2023. A new law passed by the Washington legislature now shifts that financial help to the CARES program, which is funded by all Cascade customers, similar to WEAF.

The CARES program gives Cascade customers energy savings through a monthly discount on their natural gas bill to provide affordable bills year-round. The discount is based on self-declared household income and the number of residents in the household. Cascade customers with past-due balances who participate in CARES may also receive a grant of up to \$1,000 to reduce or eliminate those balances.



Customer Service

MDU Resources' utilities consistently score in the top tier of J.D. Power customer satisfaction rankings, reflecting our relentless pursuit of customer service excellence. Our successful relationships with customers require that we provide quality products and services competently and efficiently and treat customers with courtesy. We make many commitments to customers about the safety, availability, quality and price of our products and services. Each employee is expected to ensure that MDU Resources lives up to these promises, including maintaining open communication with customers and responding promptly to inquiries, requests and complaints.

J.D. Power 2023

Gas Utility Residential Customer Satisfaction Survey Results



In the J.D. Power 2023 Gas Utility Residential Customer Satisfaction Study, Intermountain and Cascade earned the **1st & 2nd** highest scores among midsize natural gas utilities in the West Region. Montana-Dakota ranked **4th**. In its 22nd year, the study surveys customer satisfaction across six factors: safety and reliability, billing and payment, price, corporate citizenship, communications, and customer care.

Protecting Customer Privacy

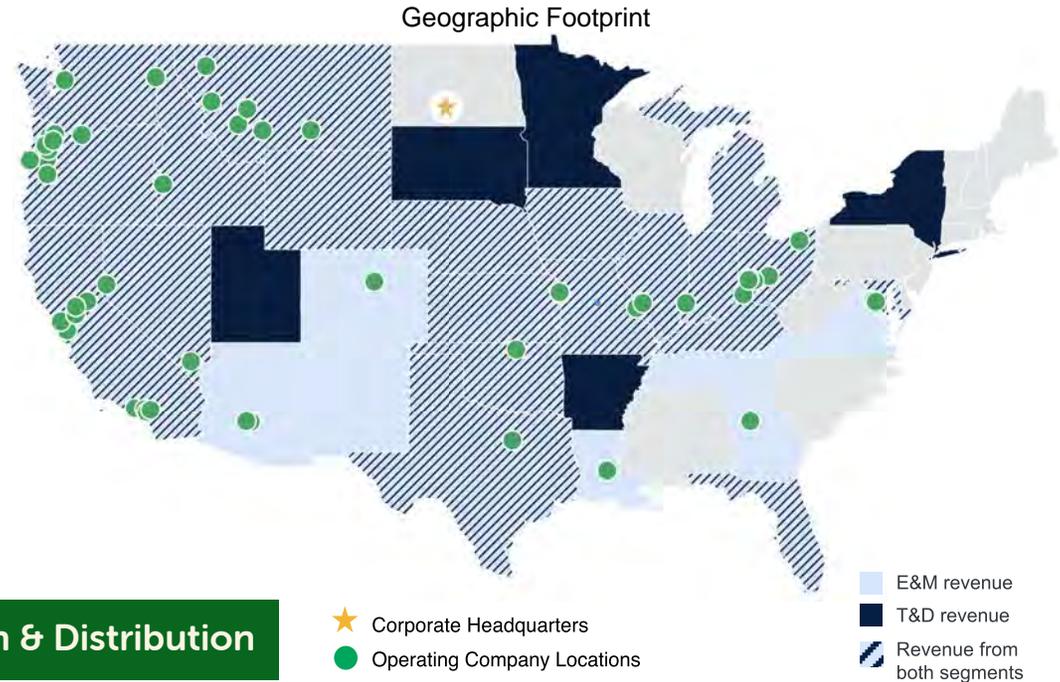
MDU Resources understands the importance of protecting the privacy of all information provided by customers and has a [Sensitive Information Policy](#) – as well as a Policy on Requests for Customer or [Employee Information](#).

- We collect customer information in order to provide certain services, to prevent fraud and to comply with legal and regulatory requirements.
- Access to customer information is limited to only employees who are authorized to have access in order to provide services and address safety concerns or unsatisfactory conditions with a customer's facility or equipment.
- In accordance with the Fair and Accurate Credit Transactions Act, we maintain physical, electronic and procedural safeguards that comply with applicable industry standards and federal regulations to protect nonpublic personal information from unauthorized disclosure.
- For purposes of providing customer service or addressing unsatisfactory conditions with a customer's account, facility or equipment, we may disclose information to select employees at company subsidiaries, and a limited number of contract-bound, third-party program contractors and evaluators who are required to protect the confidentiality of the information.





Everus Construction Group (Everus) is an industry-leading electrical and mechanical, and transmission and distribution construction services provider. Headquartered in Bismarck, North Dakota, we operate across the United States, safely Building America's Future™ through innovation and expertise.



Diversified Opportunities in Business Lines

Electrical & Mechanical

Primarily serves general contractors and end-use customers, with demand driven by infrastructure development and maintenance in the commercial, industrial, institutional, services and renewables end markets.

- Commercial work includes deep expertise in hospitality and entertainment venues, as well as data center and high-tech projects.
- Industrial work is driven by installations as well as renovations, upgrades and expansions.
- Institutional work is driven by activity in the education and government sectors.
- Service work may be standalone smaller projects or recurring maintenance work.
- Renewables work includes projects ranging from local electric vehicle charging stations to large-scale solar generation.

Transmission & Distribution

Serves electric and natural gas utility customers, as well as customers in the transportation end market, with demand driven by utility expansions, replacements of aging infrastructure, and system hardening and grid reliability initiatives.

- Construction and maintenance of overhead and underground electrical, gas and communication infrastructure.
- Excavation and underground boring.
- Substations.
- Traffic signals and lighting.
- Emergency restoration.
- Design, manufacture, sales and rentals of overhead and underground line-stringing equipment and tools.

40,000+ **9,000+**

Projects Worked on in 2023

Employees at Peak Construction

\$2.01B

Backlog as of December 31, 2023

#4

2023 EC&M Top 50 Electrical Contractors List

#10

2023 ENR Top 600 Specialty Contractors List

CONSTRUCTION SERVICES - 4EVER STRATEGY

The Everus Brand

We rebranded as Everus, previously MDU Construction Services Group, in early 2024 in anticipation of its spinoff from MDU Resources, which is expected in late 2024.

The new brand emphasizes Everus' strengths:

- The name is derived from Mount Everest. Like the mountain, we are strong and formidable.
- The combination of “ever” and “us” represents our team. We are a people-first business, and this represents the strength and dedication of our team.
- The U.S. also is represented in “us,” as we continue Building America’s Future.™

What is the 4EVER Strategy?

As Everus Construction Group prepares to be spun off from MDU Resources in late 2024, it is focused on its 4EVER strategy of employees, value, execution and relationships.

4EVER



E

Employees

Our greatest asset is our people. We are committed to engaging, training, developing and rewarding our team.

V

Value

We create value for our shareholders, our team members and our other stakeholders through financial success.

E

Execution

We work safely, efficiently and with integrity to deliver what we say we’re going to deliver.

R

Relationships

We build connections with key stakeholders to ensure satisfaction.

CONSTRUCTION SERVICES - ENVIRONMENT

Environmental Compliance is a Top Priority

Everus is committed to operating with a focus on environmental compliance as we continue building America's vital infrastructure.

- Our operations meet or exceed federal, state and local regulations relevant to our industry.
- While our work typically requires minimal environmental permitting, we use petroleum storage tanks for operational efficiency in select areas. These are regulated under state programs approved by the EPA. We do not have any reportable petroleum tank releases or remediation requirements related to the use of petroleum tanks.
- Federal permits that may be required for particular construction projects are typically secured by the contracting entity, not by our organization.
- To the extent possible, our operations recycle recovered construction materials and waste materials.

Ongoing Fleet Emission Reductions

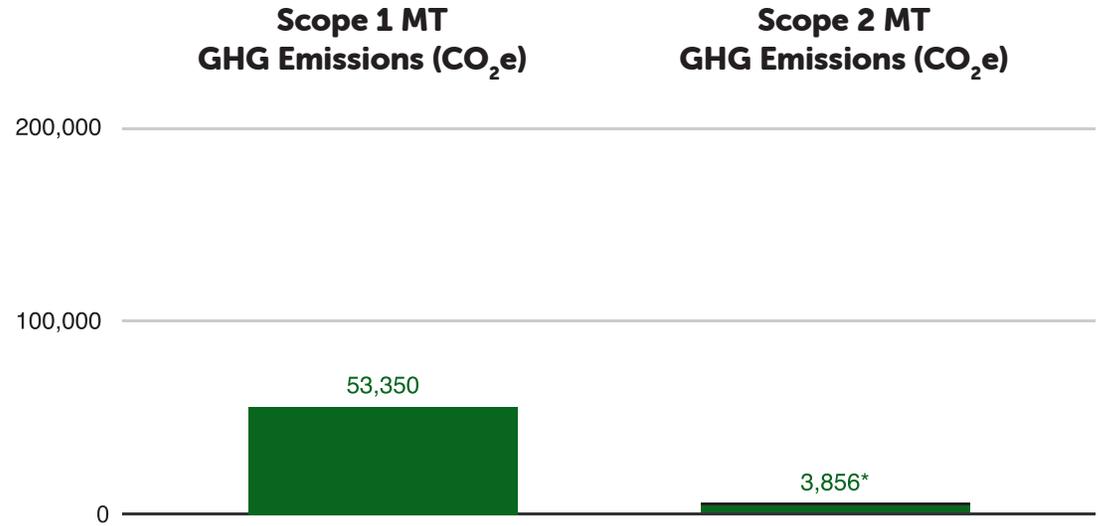
Everus assesses its fleet of vehicles and equipment to ensure appropriately sized vehicles are procured to meet specific needs.

- Whenever possible, smaller, more fuel-efficient vehicles are used to curb fuel expenses and reduce emissions.
- Electric pickup trucks were introduced into our fleet for the first time in 2023.
- As we modernize equipment and vehicles, manufacturers' advancements in fuel efficiency reduces our overall fuel usage and fleet emissions.

California has more stringent regulations governing on- and off-road diesel fleets compared to other regions where Everus operates, and our proactive approach ensures we will be compliant:

- On-road diesel fleets are mandated to meet or surpass a 2010 emissions standard through fleet replacement objectives, particularly impacting on-highway trucks exceeding 14,000 pounds in gross vehicle weight.
- Off-road diesel construction fleets must achieve compliance targets based on the aggregate horsepower and emissions factors of all fleet engines.
- These compliance targets were initiated in 2009 and extend through 2024.

We began tracking our corporatewide **Scope 1** and **Scope 2** GHG emissions across our corporation in 2022. Our 2023 construction services business GHG emissions were as follows:



MT = Metric Tons

*Gross emissions of 3,953 reduced by generated offsets of 97.
For the regulated businesses 2023 total GHG emissions see [page 17](#)

Everus Adds Electric Pickups to Fleet

OEG, an Everus operating company based in Oregon, added two Ford F-150 Lightning Pro electric pickups to its fleet in 2023.

At optimal performance, the Ford Lightning with a standard-range battery has a driving range of 240 miles. Each Ford Lightning purchased by OEG is assigned to a supervisor who uses it as a lighter service vehicle. Their average daily commute range within the Portland, Oregon, area is 40 to 60 miles.

OEG expects a 75% savings on fuel alone when using chargers installed at the OEG office or at the supervisors' homes. OEG also will realize maintenance savings, as an electric vehicle (EV) doesn't require a basic oil change or use parts such as air filters, spark plugs and timing belts. It also has fewer internal fluids to replace.

Before the pickups arrived, OEG installed five EV chargers in the office parking lot and a charging station at each of the two supervisors' homes.

As Everus remains committed to reducing its fleet emissions, EVs will continue to be considered for its fleet.



Everus continuously navigates climate-related risks and seeks opportunities to use its exacting expertise in supporting customers through climate-related impacts.

Risks

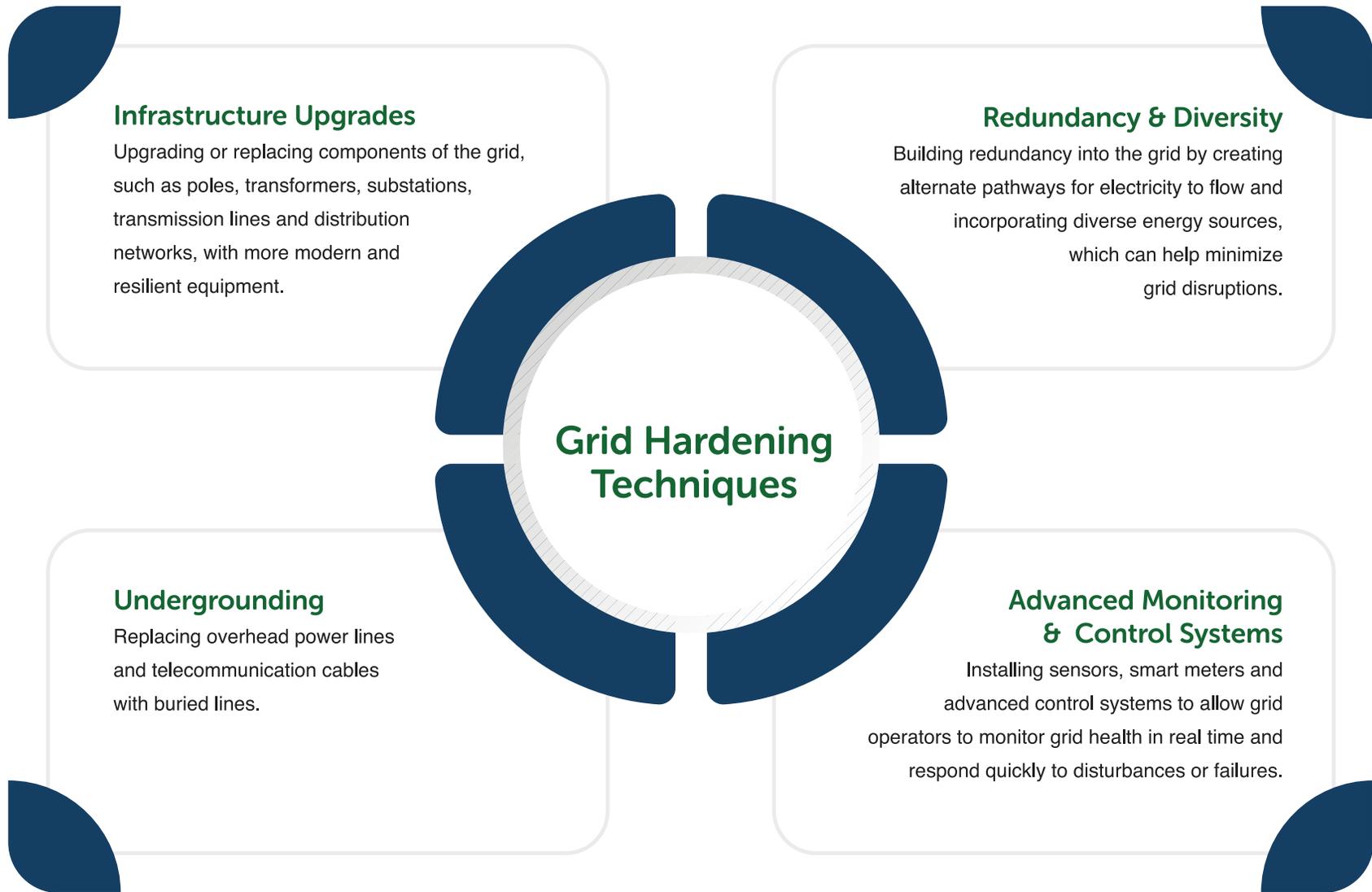
- ! Severe weather events (tornadoes, hurricanes, droughts, snowstorms) may impact projects, operations, supply chains and revenues. Climate change exacerbates these risks.
- ! Policy shifts and regulatory changes may increase operational costs and liabilities.
- ! Adoption of low-carbon solutions may create labor shortages and increase costs.
- ! ESG reporting requirements may add cost and complexities to operations.

Opportunities

- Severe weather provides opportunities for storm response and energy restoration services.
- A transition to renewable energy sources may increase demand for solar project installations and transmission and distribution services to meet renewable energy grid requirements.
- Prefabrication of project components mitigates construction delays from severe weather events.
- Water management efforts and technologies provide opportunities for additional services work.
- Technological advancements may provide project efficiencies and productivity gains, ultimately reducing costs.
- Strategic supplier relationships boost reputation and ESG impacts while minimizing supply chain disruptions.
- Insurance policy reviews may lead to better coverage alignment.
- Improving fleet fuel efficiency reduces costs.
- Electric vehicle adoption provides opportunities to install EV charging stations.
- Sustainability reporting enhances reputation and identifies opportunities for tracking, such as fuel usage, to provide cost savings and emission reductions.



As the U.S. looks to **strengthen and enhance** the resilience of its **electric power grids** against weather-related impacts and other threats, such as physical attacks and nature-caused disruptions, Everus is increasingly called on to make the power grid more robust, reliable and capable of withstanding adverse conditions or intentional attacks.

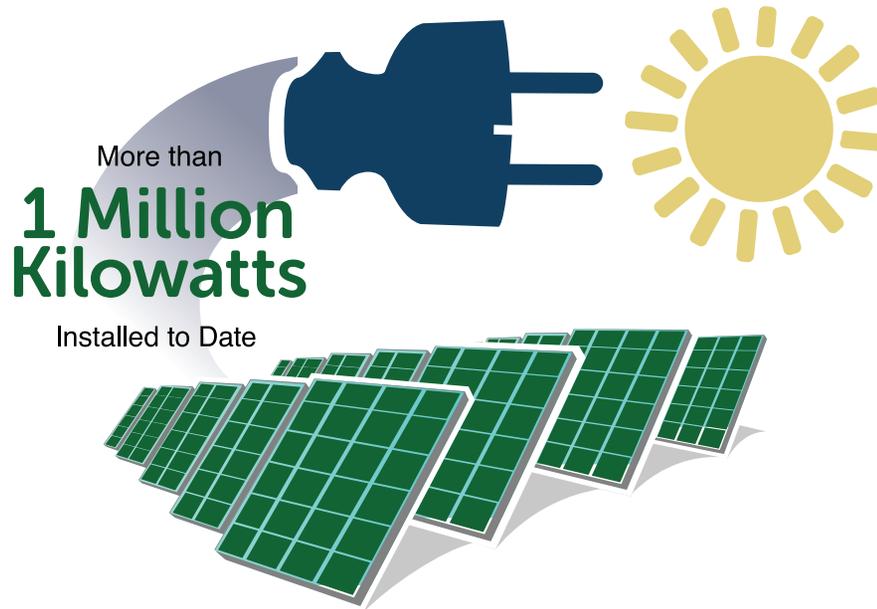


Everus collaborates with our utility customers, grid operators, technology providers and other key stakeholders as we continue to implement these and other grid-hardening solutions.

Solar

Everus provides solar energy installation services, supporting the transition to renewable energy. Demand for solar generation continues to increase as it is considered an option to reduce electric generation emissions while meeting rising energy demand from electrification of the economy.

Each solar-related project we build helps reduce carbon emissions, aiding the country's transition to a lower-carbon economy.



Bombard Renewable Energy, a division of the Everus operating company Bombard Electric, was recently recognized as a Top U.S. Solar Contractor by Solar Magazine. Bombard Renewable ranked:

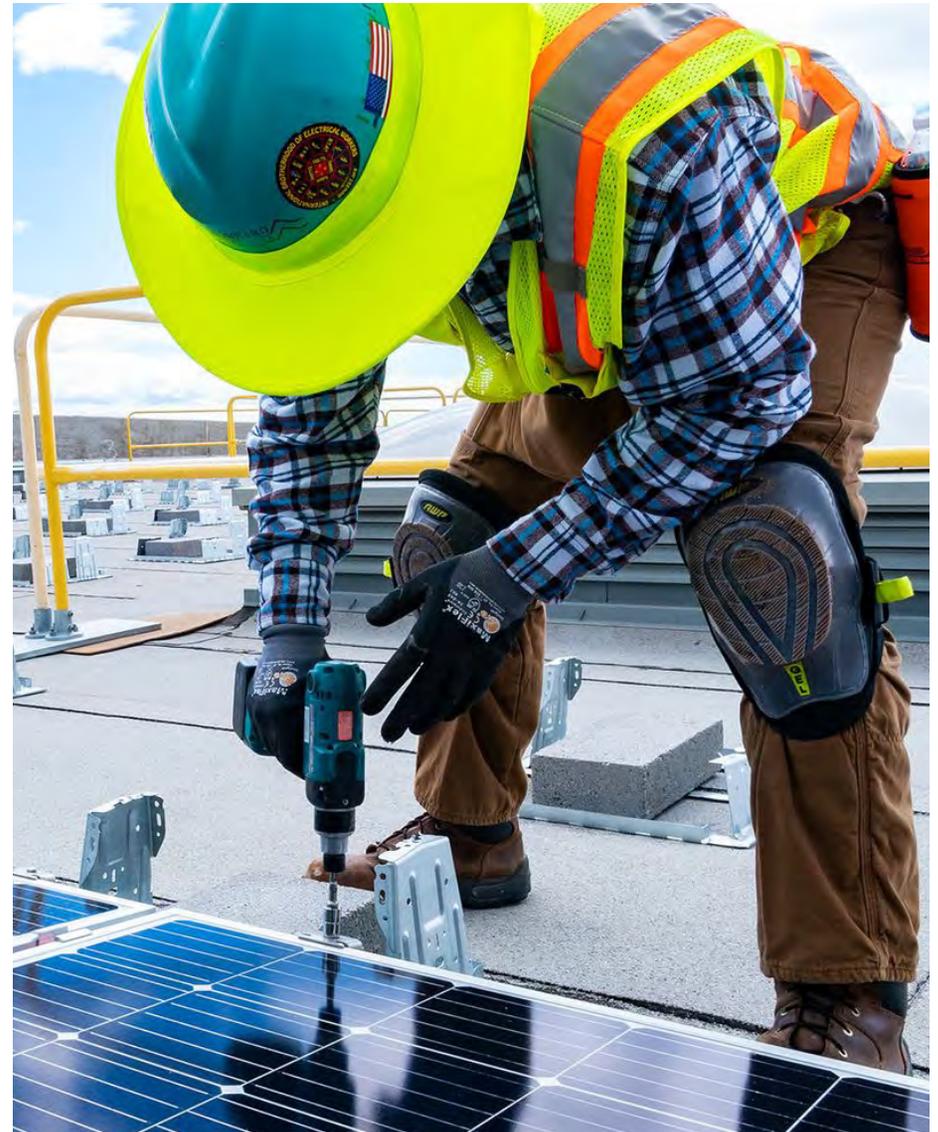
29th
Out of 420
Companies

16th
In the Engineering,
Design and Procurement
Category Out of
145 Companies

29th
In the Utility
Contractors
Category Out of
50 Companies

Energy-Efficient Designs

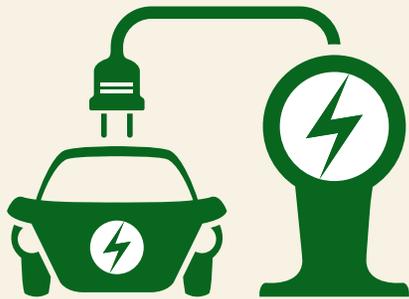
Everus contributes to the advancement of energy-efficient building designs through our electrical and mechanical expertise. By integrating innovative technologies and sustainable practices into our projects, we enhance the overall energy performance of our customers' venues. Our team collaborates closely with architects, engineers and clients to develop tailored solutions that optimize energy usage, minimize environmental impact and maximize occupant comfort. We create spaces and places where people can thrive.



Project Opportunities

Everus, with its nationwide presence and extensive specialized expertise, is well-positioned to support efforts spurred by recent federal legislation to drive infrastructure development and mitigate pressing local and national challenges.

- **Electric vehicle charging stations.** The Inflation Reduction Act contains support for accelerating transportation electrification in the U.S. Everus provides comprehensive electric vehicle infrastructure solutions for chargepoint operators, fleet owners, homes and businesses.
- **Transportation, communication and clean energy investments.** The Infrastructure Investment and Jobs Act is aimed at modernizing and improving America's infrastructure while creating jobs, including transportation, broadband and clean energy. These are all industries Everus supports through its wide variety of services.
- **High-tech, data center and semiconductor manufacturing construction.** The Creating Helpful Incentives to Produce Semiconductors for America Act is intended to bolster semiconductor manufacturing in the U.S. While most of its work in this sector is highly confidential, Everus has particular expertise in serving chip manufacturing facilities, data centers and other high-tech customers.



Charging Stations
Installed in 2023 **221**



Everus is a **people-first business**, and we strive to create an environment where every employee thrives and contributes their best each day to serve our customers and communities as we continue safely **Building America's Future.™**

Our Team

The majority of our workforce is made up of union-organized team members who provide specialized skills and knowledge to serve our customers' needs. Through our highly skilled workforce, we provide safe, efficient services with exacting execution and the utmost integrity to ensure our customers' and communities' needs are met. As of December 31, 2023, 91% of Everus employees were male and 9% were female. [See our latest EEO report.](#)

7,080

Total Employees

1,376

Non-Union

5,704

Union

These general philosophies guide our team members' actions:

- **Teamwork and cooperation.** A positive work environment depends on willing cooperation by everyone.
- **Open communication.** An effective and responsive organization relies on knowledgeable and informed individuals.
- **Mutual trust and respect.** Effective teamwork and cooperation are based on developing and maintaining trusting, respectful relationships.
- **Exacting execution.** Employees must be sharply focused on safety, and skills and abilities must be continually developed to meet changing job requirements and maintain business competitiveness.
- **Individual responsibility.** Managers are responsible for providing a positive and supportive work environment that encourages individual responsibility and initiative. Employees are responsible for engaging in the development opportunities available to them, and for contributing to a positive workplace.



Competitive Benefits

Everus is committed to providing a comprehensive benefits package that supports the well-being and success of our team members and their families. With a robust benefits package, we demonstrate our commitment to the well-being and success of our employees, ensuring they have the support and resources they need to thrive personally and professionally.

Some of the benefits we offer include:

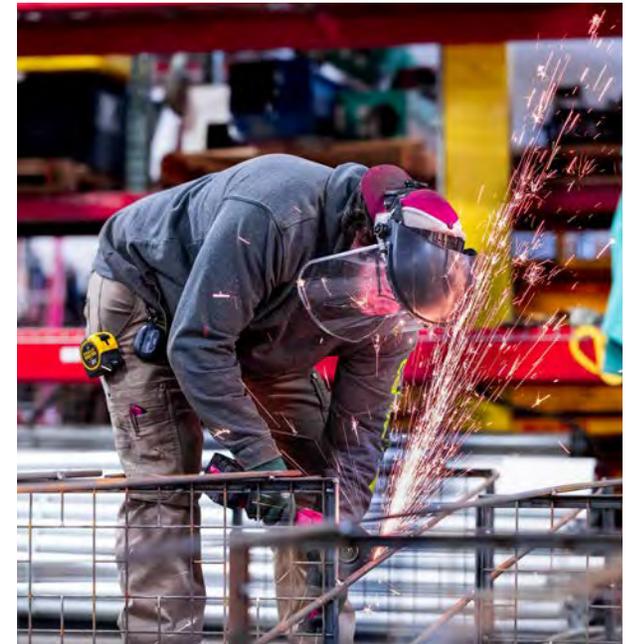
- Virtual care and health care advocacy
- Virtual physical therapy
- Online behavioral health
- Diabetes prevention and management
- Medical coverage
- Health saving account (HSA)
- Flexible spending account (FSA)
- Dental insurance
- Vision insurance
- Life insurance
- Accidental death and dismemberment insurance
- Employee assistance program (EAP)
- Paid time off for vacation, sick leave and family care
- Retirement benefits



Employee Diversity & Development

As a people-first business, having a strong and diverse workforce is critical to Everus' success. We dedicate significant resources to helping our team members grow and develop in their careers through our robust training programs.

- **Building Leaders Program.** To date, nearly 400 team members have completed this leadership development training, including 12% female representation.
- **Project Manager Training.** This training includes nearly 30 hours and 22 modules.
- **Crucial Conversations.** This course enhances communication and crucial problem-solving skills.
- **Workforce E-Academy.** This online training library provides a variety of training topics to employees, including topics such as the company's code of conduct, diversity, cybersecurity, and sexual and workplace harassment. Everus continuously expands and refreshes its training library to ensure topics are relevant to today's workplace and potential issues that may be faced.



Safety is a Top Priority

We pay careful and constant attention to employee and public safety as we execute our work.

Ways we engage in industry safety:

- **Electrical Transmission & Distribution (ET&D) Partnership.** Everus is a founding member of the OSHA Electrical Transmission & Distribution Partnership. Established in 2004, this collaboration aims to enhance safety standards for workers in the electric line industry. Through the partnership, Everus contributes to analyzing accident data, formulating best practices, devising implementation strategies and advocating for training criteria to foster a culture of safety within the industry. Additionally, the company places a strong emphasis on contractor safety by annually requesting information on subcontractors' safety programs and incidence rates. Subcontractors deemed to have inadequate programs are offered company safety policies and training to ensure compliance with OSHA standards. See Everus' [Vendor Code of Conduct](#).
- **OSHA Voluntary Protection Programs (VPP).** The VPP recognizes employers and employees who have established effective safety and health management systems and maintain injury and illness rates below national Bureau of Labor Statistics averages for their respective sectors. In the program, management, labor and OSHA collaborate and work proactively to prevent fatalities, injuries and illnesses through a system focused on hazard prevention and controls, worksite analysis, training, management commitment and employee involvement. Employers undergo a rigorous OSHA onsite evaluation by a team of safety and health professionals. VPP participants are re-evaluated every three to five years to maintain their program status.
- **Safety Stand-Ups.** Everus operating companies hold safety stand-ups on a regular basis, during which team members receive training and are reminded to think about safety first on every project and task. All our companies also hold a "safety week" each year for more extensive safety training and activities that encourage camaraderie among employees, which we believe elevates care and concern for each other.

MDU ArchKey Earns Trade Partner of the Year

A joint venture of Everus and ArchKey Solutions received the 2023 Trade Partner of the Year award from a client for work on a data center in Columbus, Ohio. The project included Everus operating companies ESI, OEG and Bombard Electric. The partnership was recognized for its safety performance and inclusive workplace culture.

We are proud to offer a safe, inclusive and harassment-free environment.

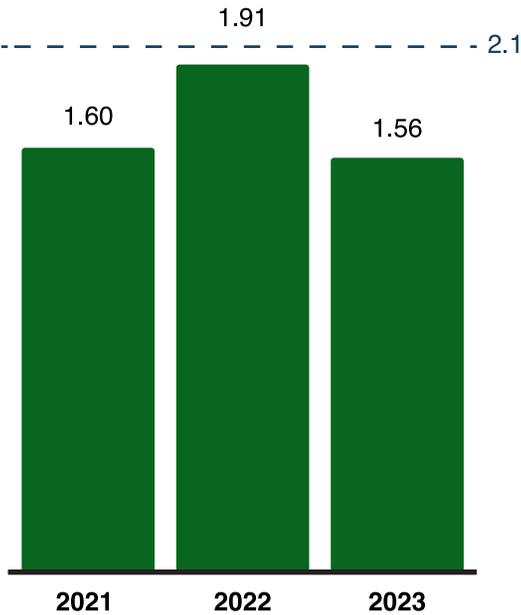


From left, Everus President and CEO Jeff Thiede, Assistant Secretary of Labor for Occupational Safety and Health Douglas L. Parker and Everus Director of Safety, Health and Environmental RJ Pizzi were in Washington, D.C., to attend the renewal ceremony of the Occupational Safety and Health Administration Electrical Transmission & Distribution Partnership.

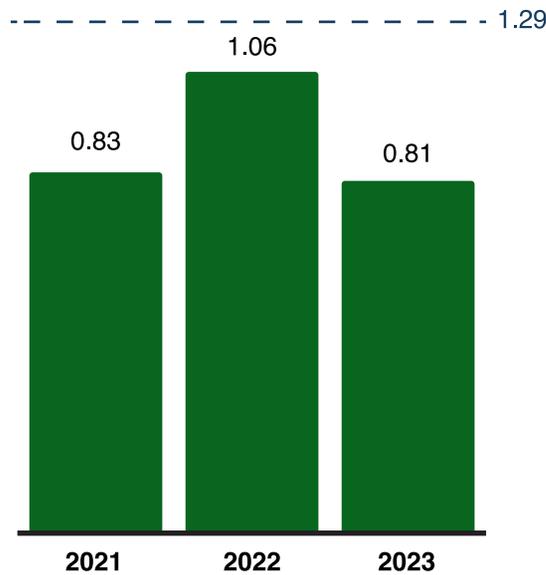
Everus' safety statistics for recordable incidents and lost-time injury rates were better than Bureau of Labor Statistics industry averages for 2023:

Industry averages are based on industry categories that correspond to Everus' E&M and T&D segments. Everus' rates are combined from its E&M and T&D segments and adjusted for the proportional hours worked by Everus employees in each segment.

RIR



DART



RIR - Recordable Incident Rate DART - Days Away Restricted or Transferred - - - 3-Year Industry Average

Rate of Preventable Vehicle Incidents

0.11 per 100,000 miles

in 2023

Wagner-Smith Equipment Earns Elite VPP Star Status

Wagner-Smith Equipment, an Everus operating company, earned Star Status in 2023 in the Voluntary Protection Program for a site-based business by OSHA. This designation was achieved by employees at Wagner-Smith's Burleson, Texas, location.



Wagner-Smith joins an elite group of companies to receive VPP Star status, which OSHA describes as its official recognition of companies that have achieved exemplary occupational safety and health. This is demonstrated by not only Wagner-Smith's regulatory compliance, but also by its implementation of comprehensive and successful safety and health management systems.

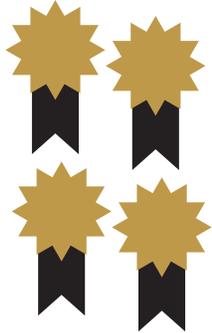
There are approximately 1,200 site-based VPP Star sites in the federal program.

Pursuing and maintaining VPP Star status is an ongoing and never-ending process. To remain in the program, VPP participants undergo a renewal process.

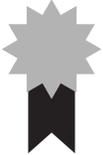
Safety Recognition

Everus received the Liberty Mutual Safety Innovation Award for its efforts in 2023 toward mitigating construction hazards. The award recognizes efforts to reduce or eliminate hazards that lead to injuries and pain in the construction industry. These efforts can be an evidence-based technology, a work practice, a program or a grassroots campaign or media engagement.

Everus operating companies also were recognized by Liberty Mutual for their individual results:



Four Everus operating companies received the Gold Award. The Gold Award recognizes companies with a DART rate **80% better** than the industry average with a minimum of 200,000 labor hours.



One Everus operating company received the Silver Award. The Silver Award recognizes companies with a DART rate **60% better** than the industry average with a minimum of 200,000 labor hours.



Four Everus operating companies received commendations. A commendation recognizes companies for achieving a DART rate **50% better** than the industry average with no minimum labor hours.

Product Safety

Everus ensures that Safety Data Sheets (SDSs) are available for products that are stored at each company location where required by OSHA's Hazardous Communication Regulation. SDSs can be referenced, if needed, prior to a product being used or in the event of an accidental spill or discharge. SDSs are summary documents that provide information and advise safety precautions related to product hazards.

OEG Employees Recognized for Their Heroic Actions

Three team members of Everus operating company OEG were recently recognized by the Port of Portland (PDX) for their heroic actions in assisting a passenger in need.

Stacy Arelliano, OEG general foreman, and Bill Ingemanson and Annie Logan, both OEG foremen, were leaving their work site at the PDX Terminal Core Redevelopment Project when a traveler collapsed on a moving walkway in the airport's south tunnel.

Ingemanson sprang into action to help. There were many travelers around, so he managed the area, stayed calm and followed proper first-aid training. Together with Logan and Arelliano, they shut off the mobile walkway, called the communications center, checked vitals and kept the companions of the fallen individual calm until emergency medical services showed up and took over.

For their assistance to the traveler, the PDX awarded the trio with its PDX People Award. The quarterly award recognizes any employee working at the airport for actions that truly stand out as extraordinary.



From left, Stacy Arelliano, Bill Ingemanson and Annie Logan.

Subcontractor Safety

Subcontractor safety is critical to Everus. Our subcontractors are requested to annually provide information about their safety programs and recordable and lost-time incidence rates. If our companies deem a subcontractor's programs to be inadequate, the subcontractor is provided with our company safety policies and training for their personnel. Our subcontractors are required to follow the accident prevention and safety programs of our companies and to submit a job site safety plan before commencing work on a project. Our goal is to ensure safe operations and compliance with OSHA standards by our subcontractors for the protection of employees and the public.

Everus encourages team members to make significant contributions in our **communities**, be innovative on the job and create positive workplaces, and we regularly recognize those who make exceptional efforts. Everus, along with other MDU Resources business units, awards employees in several areas as discussed on [page 31](#):

Community Involvement and Employee Recognition

In 2023, we recognized:

Ben DeHart - Ben received our Community Spirit Award for going above and beyond in his community and showing a spirit of volunteerism. Ben, an estimator with operating company ESI Inc., is active with many organizations and volunteers his time to support their activities.

Ben works on fixing and updating floats for the Dayton, Ohio, Christmas Parade. He organizes and leads efforts to hang Christmas lights in Downtown Dayton for the holidays. Each year, he assembles a team of ESI employees to volunteer on the weekends and leads the charge under a tight deadline. Ben, volunteering with his church, helped to wire the electricity in a home for people in need. Ben also is an instructor at the local Joint Apprenticeship Training Center, where he spends time with apprentices outside of class to help those who need additional coaching and training.

Nicole Carpenter - Nicole, a project engineer at operating company Bombard Electric, earned our Community Spirit Award because she leads the charge when it comes to organizing and overseeing Bombard Electric's commitment in the community.

Nicole is passionate about ensuring Las Vegas' homeless are not forgotten, particularly around the holidays. She organizes company donation drives to collect clothing, food and basic essentials for the Las Vegas Rescue Mission and gather donations for Project 150, a local organization that focuses on helping homeless teens.

Michael Confer - Mike, a foreman with operating company Capital Electric Line Builders, earned our Einstein Award for fabricating and constructing a custom device for the safe removal and installation of traffic signal-light heads on existing in place traffic signal poles.

Mike's device improved safety by reducing the risk of injury to employees performing signal installations. It also improved efficiency by reducing installation times and the risk of damage to signal equipment by creating a more secure installation method.

Melanie Prentice - Melanie earned our Summit Award because, since joining operating company OEG in 2014, she has consistently looked for ways to make OEG a positive place to work. She is passionate about finding ways to include and recognize all OEG team members.

Melanie led OEG's employee engagement committee in 2023, which has responsibility for increasing employee engagement and bringing positivity to the workplace across OEG's locations in four states. Through Melanie's leadership, the committee provided a broad range of experiences for OEG team members, such as local baseball games and other events, as well as activities that supported community agencies, such as the Oregon Food Bank, Red Cross, blood drives and others.



Commitment to Our Communities

Everus is a people-first business, and we are deeply committed to serving the communities where our team members live and work.

We do this through local financial and resource contributions from our operating companies and volunteerism by our team members. Everus also is a significant contributor to the MDU Resources Foundation. Read more about the foundation's efforts on [page 32](#).

Capital Electric Construction Raises More Than \$22,000 for Breast Cancer Research

In October 2023, 40 cornhole teams gathered at Capital Electric Construction in Kansas City, Kansas, to vie for a tournament title — and to raise money for breast cancer research.

More than 150 Capital Electric vendors, customers, employees and their families raised \$22,412 through the cornhole tournament, as well as a silent auction and fish fry. Proceeds benefit the American Cancer Society's [Making Strides Against Breast Cancer](#) event, a noncompetitive walk that raises funds and awareness in more than 150 communities across the country.

Lisa Holt, the cornhole tournament event organizer and project control manager at Capital Electric, said the company started raising funds in 2013 when an employee, Ileana Watson, was diagnosed with breast cancer. Although Watson passed away in 2017, the company continues to raise money each October for the cause.

Holt also serves on the Kansas City Making Strides event advisory board.

Capital Electric Construction is an Everus company headquartered in Kansas City, Kansas.



Bell Electrical Contractors Contributes to Effort to Raise \$725,000 for Children's Hospital

Bell Electrical Contractors, an Everus company, was one of 140 St. Louis, Missouri-area construction industry companies that collectively raised \$725,000 during KIDstruction Week 2023, which is a record for the annual event.

Bell Electrical raised \$3,871 through contributions from employees, sponsors and the MDU Resources Foundation.

St. Louis Children's Hospital asks architectural, engineering and construction industry companies in the area to donate \$1 or more for every hour they work during KIDstruction Week each year. Since 2011, industry partners have donated \$5.2 million through the event. The money raised supports programs and services at the hospital.



Task Force on Climate-Related Financial Disclosures (TCFD) Index

Category	TCFD Recommended Area of Disclosures	MDU Resources' Related Content in This Report
Governance		
	Describe the board's oversight of climate-related risks and opportunities.	<p>The board, along with its committees, oversees risk management, ensuring that management has established robust processes for identifying, assessing and managing risks.</p> <p>The environmental and sustainability committee aids the board in overseeing risks related to environmental, health and safety, social sustainability and climate change issues crucial to the company's long-term success. This includes evaluating current and emerging risks such as climate change and monitoring the company's response.</p> <p>More information on board oversight was discussed in the Corporate Sustainability Report and in our 2023 Proxy Statement.</p>
	Describe management's role in assessing and managing climate-related risks and opportunities.	<p>Management is responsible for day-to-day risk management and uses an enterprise risk management program to clarify roles and responsibilities, promote dialogue on strategic risks and facilitate targeted risk response strategies.</p> <p>More information on Management oversight was discussed in the Corporate Sustainability Report and in our 2023 Proxy Statement.</p>
Strategy		
	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Descriptions of the risks and opportunities can be viewed in the Task Force on Climate-Related Financial Disclosures Risks and Opportunities Assessment, pg. 55.
	Describe the impact of climate-related risks and opportunities on the organization's business strategy, and financial planning.	Climate-related risks and opportunities play a significant role in our overall strategy and financial planning. Many of our business activities, capital investments and strategic initiatives are directly influenced by climate risk or opportunities. Our Corporate Sustainability Report covers numerous examples of this impact throughout our company, including coal retirements, carbon sequestration research, PCB elimination, water use, energy efficiency and conservation programs for customers, renewable natural gas, natural gas pipeline replacements, damage and leak detection programs, and evaluating using a hydrogen blend to replace natural gas in the future.
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Montana-Dakota Utilities, Co., a subsidiary of MDU Resources, in 2021 conducted a climate scenario analysis according to Task Force on Climate-Related Financial Disclosure (TCFD) guidance specific to its electric generation operations. A summary of that assessment can be found in the "Montana-Dakota Utilities Climate Scenario Analysis Report" on MDU Resources' website at www.MDU.com/sustainability .
Risk Management		
	Describe the organization's processes for identifying and assessing climate-related risks.	Our risk management process identifies and assesses material risks including economic, strategic, operational, environmental, climate-related, regulatory, competitive and cybersecurity risks.
	Describe the organization's processes for managing climate-related risks.	Management shoulders responsibility for identifying material risks, implementing effective mitigation strategies, and providing information to the board. Regular communication between management and the board is critical to managing climate-related risk.
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	<p>The board meets on at least a quarterly basis and is available throughout the year to discuss climate-related risks or other concerns of the company. During these meetings climate-related risks are regularly reviewed and assessed to identify new or existing areas of concern which may require additional oversight.</p> <p>Mitigating risk through our internal audit and legal departments further assists the board in its overall risk management process.</p>
Metrics and Targets		
	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Climate-related metrics are tracked and reported to the board and our stakeholders and customers. Our Corporate Sustainability Report provides company performance in areas related to climate change, including GHG emissions, renewable energy and environmental compliance. In 2022 and 2023, we created three targets to assess emission reduction efforts.
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.	<p>Scope 1: 1,963,433 MT CO₂e for Regulated Energy Delivery</p> <p>Scope 1: 53,350 MT CO₂e for Construction Services</p> <p>Scope 2: 80,114 MT CO₂e for Regulated Energy Delivery</p> <p>Scope 2: 3,856 MT CO₂e for Construction Services</p> <p>Scope 3: Not yet reporting</p>
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<p>Electric Utility GHG Emissions Intensity Reduction Target - 45% reduction by 2030 compared to 2005 levels. As of 2023, we achieved a 38% reduction.</p> <p>Natural Gas Utility Methane Emissions Reduction Target - 30% reduction by 2035 compared to 2022 levels. As of 2023, we achieved an 11% reduction.</p> <p>Pipeline Methane Emissions Intensity Reduction Target - 25% reduction by 2030 compared to 2020 levels.</p>

Task Force On Climate-Related Disclosures – Risk and Opportunity Assessment

Category 1: Increased frequency and duration of severe weather events such as floods, droughts, extreme cold or heat, tornadoes, storms, etc.

Category 2: Climate change may impact a region’s economic health by increasing energy costs, impacting supply chains, labor markets and/or services.

Category 3: New and/or revised environmental laws and regulations increasing compliance costs and disclosure requirements.

Category 4: Environmental performance can influence customer, community, investor, regulatory commission, policymaker and permitting agency perception of an organization.

Category 5: Technology changes may be required for new lower-carbon solutions, increasing costs.

Category	Type	Risk	Opportunities	Time-Horizon
Construction Services				
1	Physical	Severe weather events, such as tornadoes, hurricanes, rain, drought, ice and snowstorms, and high and low temperature extremes, occur in regions where Everus Construction Group both operates and maintains infrastructure. These events could negatively impact property and projects. Climate change could change the frequency and severity of these weather events.	Everus Construction Group performs storm response and energy restoration services following severe weather events. Climate change may lead to an increased demand for Everus Construction Group’s core transmission and distribution services to address grid requirements for energy generation of new renewable sources. There are ample opportunities available for the transmission grid buildout on which Everus Construction Group could capitalize.	Short
1	Physical	Increases in severe weather conditions or extreme temperatures may cause infrastructure construction projects to be delayed or canceled and limit resources available for such projects, resulting in decreased revenue or increased project costs.	Everus Construction Group can develop a severe weather mitigation strategy to minimize construction delays and corresponding revenue and cost impacts. Everus Construction Group has an extensive pre-fabrication practice, which can be emphasized to further minimize impacts related to severe weather events.	Medium
1	Physical	Operations may be disrupted by drought conditions that restrict the availability of water supplies. Water scarcity may require significant volumes of water to be moved to a job from a distance, which impacts the costs and timeliness of projects.	Everus Construction Group can work with vendors and customers on jobs requiring water by using technology to manage water availability and usage. Alternative production processes could be identified that use less water and are cost effective.	Medium
2	Transitional	Climate change may impact a region’s economic health, which could impact revenues at Everus Construction Group’s operating companies. Everus Construction Group’s financial performance is tied to the health of the regional economies it serves.	Everus Construction Group seeks M&A opportunities in new markets with diversified business economies to avoid an industry or market concentration. New M&A opportunities could lead to a reputational benefit by Everus Construction Group performing safe, quality work in a new location.	Long
2	Transitional	Supply chain shortages caused by new climate change policies could increase operating costs.	Evaluating supplier and vendor relationships to identify those that are environmentally conscious boosts Everus Construction Group’s reputation and ESG metrics, and its ability to provide climate-conscious customers with products and services.	Short
3	Transitional	Increased insurance premiums due to climate change shifting coverage or resulting in policy exclusions could expose Everus Construction Group to additional risks and liabilities.	Additional review on insurance policies could lead Everus Construction Group to find more robust coverage. Changes to policies will lead to deeper review of coverage needs.	Medium
3	Transitional	Existing environmental laws and regulations may be revised and new laws and regulations seeking to protect the environment may be adopted or become applicable. These laws and regulations could require Everus Construction Group to limit the use or output of certain facilities; restrict or replace the use of certain fuels; replace certain assets; prohibit or restrict new or existing services; retire and replace certain facilities; require investment in new technologies; remediate environmental impacts; remove or reduce environmental hazards; or forego or limit the development of resources. Revised or new laws and regulations that increase compliance and disclosure costs and/or restrict operations could adversely affect Everus Construction Group’s results of operations and cash flows.	Everus Construction Group can reduce fuel usage, use more fuel-efficient vehicles, replace or retire certain facilities or assets, and make energy sustainability a pillar of its core business operations. The regulations could lead to a safer and more efficient work environment. Solar projects, for which Everus Construction Group is a market-leading developer, may increase significantly with the energy transition away from fossil fuels. The electric vehicle (EV) market could grow rapidly in certain regions, which would allow Everus Construction Group to build many EV charging stations.	Medium



Category	Type	Risk	Opportunities	Time-Horizon
4	Transitional	Governmental regulatory agencies are starting to require various environmental, social and governance (ESG) reporting data and metrics. Gathering, tracking and reporting data requires new processes, software systems and training, along with internal and external auditing. ESG reporting is a climate-related risk due to increased costs and potential exposure Everus Construction Group will face.	Required sustainability reporting could help Everus Construction Group gain reputational benefits with investors, customers and potential employees. Enhanced tracking of fuel usage through reporting efforts may lead to cost efficiencies and lower carbon emissions.	Short
5	Transitional	New technological changes required for emerging low-carbon energy solutions could negatively impact Everus Construction Group's business operations due to a lack of qualified labor, increased costs and other logistical infrastructure considerations.	Technological advancements could provide Everus Construction Group with productivity gains and efficiencies to operations through improved project service, design and build when potential issues, such as labor, costs and training, are resolved.	Short
Pipeline				
1	Physical	WBI Energy could face increased property damages, injuries or fatalities, methane emissions and compliance penalties, supply chain interruptions, disruption in customer services and operational challenges due to climate change. Impacts could include lost revenues; increased costs for repairs, maintenance, compliance and/or insurance; decreased cash flows; more frequent pipeline emergencies; and decreased power supply reliability.	Increased natural gas demand for power generation or customer heating and cooling may result in increased revenues and cash flows for WBI Energy.	Short
2	Transitional	Emissions regulations could require WBI Energy to install additional equipment for emission controls or reductions; limit the use or output of certain facilities, including the potential to retire or replace facilities; or purchase carbon emissions credits. Impacts could include increased operations and maintenance costs; lost revenues; increased capital expenditures; and reduced cash flows.	Natural gas is a foundational fuel source providing opportunities to work in conjunction with renewable energy sources. Increased natural gas demand for power generation or customer heating and cooling may require additional natural gas pipeline capacity and overall system growth for WBI Energy, resulting in increased revenues and cash flows.	Medium
3	Transitional	Global and national response to mitigating climate change could increase energy costs and reduce the reliability of service, impacting communities' economic conditions. Increased energy cost and reduced reliability could impact the availability of goods and services needed by WBI Energy, as well as prices charged by suppliers. For WBI Energy, these impacts could increase operation and maintenance costs; and reduce revenues and cash flows.		Medium
4	Transitional	If the natural gas industry experiences reputational-related impacts due to social pressures, this could negatively impact WBI Energy's ability to access capital markets and result in less competitive financing terms and conditions, reduced investor interest and downward pressure on stock price, resulting in a decreased ability to grow. A negative social impression of the industry could result in difficulty attracting and retaining employees as well as increasing infrastructure security concerns or cyberattacks. Impacts could include increased financing and payroll costs, reduced capital and decreased revenue growth. It may become more challenging to receive regulatory approvals and permits or the company could experience significant delays, impacting costs, project timelines and schedules, system operations or its ability to grow.	Working with industry groups and partners to develop technological advancements, such as carbon sequestration, liquified natural gas, certified natural gas or feedstock to hydrogen, as well as more efficient equipment and processes, could result in new service opportunities and increased natural gas demand, which could lead to increased revenues and cash flows for WBI Energy. Increased equipment efficiency also could reduce down time and operating costs and increase cash flows.	Medium to Long
3 & 4	Transitional	Governmental mandates for increased renewable energy sources, bans on new natural gas customer connections, delays or rejections of FERC certificates or restrictions on natural gas equipment and appliances could reduce demand for WBI Energy's transportation and storage services and limit growth opportunities, which could result in lower revenues, increased costs for longer or delayed regulatory approvals, and reduced cash flows. Mandates for electric compression could impact WBI Energy's system reliability, resulting in higher operating costs and lower revenues and cash flows.	WBI Energy works with industry groups, federal and state agencies, and regulators on developing sound regulatory processes, which helps maintain predictable, clear policies through changing political administrations.	Medium to Long

Category	Type	Risk	Opportunities	Time-Horizon
Utility				
3	Transitional	Policy actions intended to reduce GHG emissions may increase the electric utility's capital expenditures and decrease revenues and could require early retirement of certain facilities. Without a GHG policy, utility commissions may not approve cost recovery of decarbonization. Expanding decarbonization measures could reduce exposure to policy actions. If policy accelerates decarbonization, transmission system infrastructure development may lag because of lengthy permitting and siting processes. Increasing build-out of renewables by the broader electric industry increases reliability risks.	Investments in new technologies to decarbonize the electric generation fleet may increase the electric utility's revenues. Policies to reduce natural gas usage may provide opportunities to increase electric revenue. Increased investment would be expected to result in higher customer rates over time.	Short to Medium
3	Transitional	Policy actions intended to reduce GHG emissions may increase the natural gas utility's capital expenditures and decrease revenues and could impact the ability of gas operations to add new customers and grow the business. Greenhouse emissions policy may mandate building electrification, ban natural gas usage, dictate building codes that prevent natural gas appliances and implement cap-and-trade programs. All these actions are designed to reduce natural gas usage, which could impact the economics of the natural gas utility business and the recovery of investments in the business. These policies could result in increased cost of natural gas, which could impact its competitiveness with other energy options.	While policies intended to reduce natural gas usage limit opportunities for traditional system growth, they create opportunities for the natural gas utility to use its distribution system to deliver lower-carbon or zero-emitting fuels such as renewable natural gas or hydrogen blends. Pressure to reduce natural gas usage also puts upward pressure on electric rates, which may result in higher customer costs and rate fatigue in the electric business.	Short to Medium
5	Transitional	Technological changes may impact electric generation options, which may impact the electric utility's resource planning and increase operational costs. If technological advancements do not occur at a pace that allows the electric industry to affordably and reliably achieve net-zero emissions by 2050, the utility may experience higher costs from a changing generation mix or from climate change impacts.	Growth in electric demand from electrification of other sectors, such as transportation, could increase infrastructure investments and grow revenues. Demand increases could result in mutual benefits to upgrade aging infrastructure and modernize distribution and transmission systems, which can increase efficiency, reliability and energy system resilience. These new investments will result in higher electrical rates contributing to customer rate fatigue.	Short to Medium
5	Transitional	Technological changes in the natural gas industry may include the development of renewable natural gas (RNG) and the use and blending of hydrogen gas, which could replace or reduce the use of traditional natural gas.	Developing renewable natural gas (RNG) and hydrogen provide opportunities to continue to utilize and expand the natural gas utility's distribution system.	Short to Medium
2	Transitional	Climate change could impact commodity prices, global energy markets, supply chains, labor markets, and availability and pricing of goods, materials and equipment. Transitioning to net-zero at an accelerated rate could compound these impacts. Increases in significant weather events could result in extreme volatility in energy pricing as natural gas backup generation is used to supplement the variability of renewable generating options.	With growth in intermittent renewable generation, there may be opportunities to modernize aging transmission infrastructure, improving system resilience and enhancing reputation and reliability.	Short to Long
2	Transitional	Climate change could impact commodity prices, global energy markets, supply chains, labor markets, and availability and pricing of goods, materials and equipment. Transitioning to a lower carbon gas system at an accelerated rate could compound these impacts. State-mandated cap-and-trade programs would be expected to increase customer commodity pricing and rates.	Policies that support the development of renewable natural gas (RNG) and hydrogen may provide increased opportunities for rate base development and customer fuel choice. Changes in fuel availability may provide the ability to work with customers to meet their emission reduction goals.	Short to Long
4	Transitional	ESG performance can influence customer, community, investor, regulatory commission, policymaker, and permitting agency perceptions of an organization.	The utility continues to enhance its ESG performance and reporting to communicate with stakeholders.	Short to Medium
1	Transitional	Severe weather events, such as tornadoes, rain, drought, ice and snowstorms, and high and low temperature extremes, occur in regions where the utility operates and maintains infrastructure. These events could negatively impact operations. Climate change could change the frequency and severity of these weather events.	Temperature extremes may result in higher energy usage for heating in winter and cooling in summer. Enhancements to infrastructure and operations to ensure reliability and resiliency of utility systems may result in significant rate base growth.	Short to Long

Sustainability data can be challenging to measure accurately. MDU Resources works continuously to improve its data measurement, gathering and reporting processes to increase the integrity of the information presented. This report contains the best data available at the time of publication. The data reporting period is for calendar year 2023 unless otherwise noted.

Electric Company ESG/Sustainability Quantitative Information



Parent Company: MDU Resources Group

Operating Company(s): Cascade Natural Gas Corp (CNG), Intermountain Gas Co. (IGC), Great Plains Natural Gas Co. (GPNG), and Montana-Dakota Utilities Co. (Montana-Dakota)

Business Type(s): Montana-Dakota- Electric Generation, Transmission and Distribution and Natural Gas Local Distribution; CNG, IGC, and GPNG- Natural Gas Local Distribution Company

State(s) of Operation: Idaho, Oregon, Montana, Minnesota, North Dakota, South Dakota, Washington, and Wyoming

Regulatory Environment: Regulated

Report Date: June 2024

Ref. No.	Refer to the 'EEI Definitions' tab for more information on each metric	2005 Baseline	2021	2022	2023	Comments, Links, Additional Information, and Notes
Portfolio						
1	Owned Nameplate Generation Capacity at end of year (MW)					Only for Montana-Dakota Utilities Co has electric generation, transmission and distribution operations
1.1	Coal	381	312	226	226	In Feb 2022, 86 MW nameplate coal generating facility was retired.
1.2	Natural Gas	117	206	206	206	Dual fuel natural gas/diesel turbines account for approximately 98MW.
1.3	Nuclear	0	0	0	0	
1.4	Petroleum	2	4	4	4	Portable Generators
1.5	Total Renewable Energy Resources					
1.5.1	Biomass/Biogas					
1.5.2	Geothermal					
1.5.3	Hydroelectric					
1.5.4	Solar					
1.5.5	Wind		205	205	205	
1.6	Other		8	8	8	Heat recovery
2	Net Generation for the data year (MWh)					Owned generation data as reported to EIA on Form 923 Schedule 3 and align purchased power data with the Federal Energy Regulatory Commission (FERC) Form 1 Purchased Power Schedule, Reference Pages numbers 326-327.
2.1	Coal	2,316,751	1,768,701	1,251,670	1,201,403	
2.2	Natural Gas	10,086	26,167	3,863	49,033	
2.3	Nuclear	0	0	0	0	
2.4	Petroleum	458	15	8	12	Petroleum units use more KWh of energy than was produced in 2020 *Net Generation data was unavailable from EIA report at the time the report was finalized. This report will be updated when the data becomes available from EIA.
2.5	Total Renewable Energy Resources	0	706,647	732,309	622,123	
2.5.1	Biomass/Biogas					
2.5.2	Geothermal					
2.5.3	Hydroelectric					
2.5.4	Solar					
2.5.5	Wind		706,647	732,309	622,123	
2.6	Other	902,020	1,077,435	1,613,833	2,618,480	The sum of Owned and Purchased Net Generation, see 2.6i, 2.6.1ii and 2.6.2ii

Ref. No.	Refer to the 'EEI Definitions' tab for more information on each metric	2005 Baseline	2021	2022	2023	Comments, Links, Additional Information, and Notes
2.i	Owned Net Generation for the data year (MWh)					
2.1.i	Coal	2,316,751	1,768,701	1,251,670	1,201,403	
2.2.i	Natural Gas	10,086	26,167	3,863	49,033	
2.3.i	Nuclear	0	0	0	0	
2.4.i	Petroleum	458	15	8	12	
2.5.i	Total Renewable Energy Resources	0	706,647	732,309	622,123	
2.5.1.i	Biomass/Biogas					
2.5.2.i	Geothermal					
2.5.3.i	Hydroelectric					
2.5.4.i	Solar					
2.5.5.i	Wind		706,647	732,309	622,123	
2.6.i	Other		44,745	13,666	37,969	Heat recovery and TDF *Net Generation data was unavailable from EIA report at the time the report was finalized. This report will be updated when the data becomes available from EIA.
2.ii	Purchased Net Generation for the data year (MWh)	902,020	1,032,690	1,600,167	2,580,511	Total Purchased Net Generation, resource types that are unknown for market purchases, see 2.6.1ii and 2.6.2ii.
2.1.ii	Coal					
2.2.ii	Natural Gas					
2.3.ii	Nuclear					
2.4.ii	Petroleum					
2.5.ii	Total Renewable Energy Resources					
2.5.1.ii	Biomass/Biogas					
2.5.2.ii	Geothermal					
2.5.3.ii	Hydroelectric					
2.5.4.ii	Solar					
2.5.5.ii	Wind					
2.6.1.ii	Other - Blackhills	261,465	96,571	109,525	105,598	
2.6.2.ii	Other -MISO - Minnkota	640,555	936,119	1,490,642	2,474,913	
3	Capital Expenditures, Energy Efficiency (EE)					
3.1	Total Annual Capital Expenditures (nominal dollars)	\$27,036,000	\$82,427,000	\$133,970,000	\$109,805,000	0000067716-24-000017 (q4cdn.com)
3.2	Incremental Annual Electricity Savings from EE Measures (MWh)		1,338	611	468	EE and Conservation Program Emissions Reductions spreadsheet. Smart meters no longer tracked
3.3	Incremental Annual Investment in Electric EE Programs (nominal dollars)			\$56,717	\$53,142	Per annual EIA 861 submitted by Kathy B. in March 2024
4	Retail Electric Customer Count (2023)	118,367	144,103	144,561	145,108	For information on retail customers classes served, see the Company Annual reports.
4.1	Commercial					
4.2	Industrial					
4.3	Residential					
Emissions						
5	GHG Emissions: Carbon Dioxide (CO₂) and Carbon Dioxide Equivalent (CO₂e)					Emissions are based off of ownership %.
	Note: The alternatives available below are intended to provide flexibility in reporting GHG emissions, and should be used to the extent appropriate for each company.					
5.1	Owned Generation (1) (2) (3)					

Ref. No.	Refer to the 'EEI Definitions' tab for more information on each metric	2005 Baseline	2021	2022	2023	Comments, Links, Additional Information, and Notes
5.1.1	Carbon Dioxide (CO ₂)					
5.1.1.1	Total Owned Generation CO ₂ Emissions (MT)	2,771,874	2,132,041	1,432,835	1,413,415	
5.1.1.2	Total Owned Generation CO ₂ Emissions Intensity (MT/Net MWh)	1.191	0.837	0.716	0.740	
5.1.2	Carbon Dioxide Equivalent (CO ₂ e)					
5.1.2.1	Total Owned Generation CO ₂ e Emissions (MT)	2,789,942	2,146,032	1,443,808	1,424,141	% reduction in emissions intensity from 2005 intensity
5.1.2.2	Total Owned Generation CO ₂ e Emissions Intensity (MT/Net MWh)	1.199	0.843	0.721	0.745	
5.1.2.3	Preliminary Total Owned Generation CO ₂ e Emissions Intensity from PROXY (MT/Net MWh)		0.836			TARGET - MDU Resources has a target, through its electric utility, to reduce its 2005 GHG emissions intensity by 45 percent by 2030 from its owned and co-owned generating facilities.
5.2	Purchased Power (4)					CURRENT YEAR COMMENTS:
5.2.1	Carbon Dioxide (CO ₂)					
5.2.1.1	Total Purchased Generation CO ₂ Emissions (MT)	752,675	466,063	708,879	1,105,209	Our intensity percent reduction was lower in 2023. Per Darcy Neigum, our wind generation was lower in 2023 for the following reasons:
5.2.1.2	Total Purchased Generation CO ₂ Emissions Intensity (MT/Net MWh)	0.8344	0.451	0.443	0.428	1) Wind speeds were less than historic average.
5.2.2	Carbon Dioxide Equivalent (CO ₂ e)					2) Curtailment of Thunder Spirit Wind as a result of market congestion in the area.
5.2.2.1	Total Purchased Generation CO ₂ e Emissions (MT)	756,622	469,504	736,598	1,113,584	3) Maintenance and forced outages at company wind facilities.
5.2.2.2	Total Purchased Generation CO ₂ e Emissions Intensity (MT/Net MWh)	0.839	0.455	0.460	0.432	
5.3	Owned Generation + Purchased Power					
5.3.1	Carbon Dioxide (CO ₂)					
5.3.1.1	Total Owned + Purchased Generation CO ₂ Emissions (MT)	3,524,549	2,598,105	2,141,714	2,518,623	
5.3.1.2	Total Owned + Purchased Generation CO ₂ Emissions Intensity (MT/Net MWh)	1.091	0.726	0.595	0.561	
5.3.2	Carbon Dioxide Equivalent (CO ₂ e)					
5.3.2.1	Total Owned + Purchased Generation CO ₂ e Emissions (MT)	3,546,564	2,615,536	2,180,406	2,537,724	
5.3.2.2	Total Owned + Purchased Generation CO ₂ e Emissions Intensity (MT/Net MWh)	1.093	0.731	0.605	0.771	
	Non-Generation CO ₂ e Emissions of Sulfur Hexafluoride (SF6) (5)					
	Total CO ₂ e emissions of SF6 (MT)	17,218	1,722	1,479	377	Baseline for sulfur hexafluoride is 2004 and for electric system only. Represented in metric tons.
	Leak rate of CO ₂ e emissions of SF6 (MT/Net MWh)	0.0053	0.000481	0.00041	0.00020	
6	Nitrogen Oxide (NOx), Sulfur Dioxide (SO₂), Mercury (Hg)					
6.1	Generation basis for calculation (6)	Fossil				Section 6 represents emissions from owned and co-owned fossil generation facilities.
6.2	Nitrogen Oxide (NOx)					
6.2.1	Total NOx Emissions (MT)	7,708	2,860	1,591	1,699	
6.2.2	Total NOx Emissions Intensity (MT/Net MWh)	0.0033	0.0016	0.0013	0.0014	
6.3	Sulfur Dioxide (SO₂)					
6.3.1	Total SO ₂ Emissions (MT)	9,461	5,407	3,166	3,335	
6.3.2	Total SO ₂ Emissions Intensity (MT/Net MWh)	0.0041	0.0030	0.0025	0.0027	
6.4	Mercury (Hg)					

Ref. No.	Refer to the 'EEI Definitions' tab for more information on each metric	2005 Baseline	2021	2022	2023	Comments, Links, Additional Information, and Notes
6.4.1	Total Hg Emissions (kg)	52.2	19.9	9.5	9.0	
6.4.2	Total Hg Emissions Intensity (kg/Net MWh)	0.000022	0.000011	0.000008	0.000007	

Key

- MT = metric tons
- 1 lb. = 453.59 grams
- 1 tonne = 1,000,000.00 grams
- 1 metric ton = 1.1023 short tons
- Total output-based emissions factor = (insert emissions factor and source)

Notes

- (1) Generation and emissions are adjusted for equity ownership share to reflect the percentage of output owned by reporting entity.
- (2) CO₂ and CO₂e emissions intensity should be reported using total system generation (net MWh) based on GHG worksheet.
- (3) As reported to EPA under the mandatory GHG Reporting Protocols (40 CFR Part 98, Subparts C and D).
- (4) Purchased power emissions should be calculated using the most relevant and accurate of the following methods:
For direct purchases, such as PPAs, use the direct emissions data as reported to EPA.
For market purchases where emissions are unknown, use applicable regional or national emissions rate:
 - ISO/RTO-level emission factors
 - Climate Registry emission factors
 - E-Grid emission factors
- (5) As reported to EPA under the mandatory GHG Reporting Protocols (40 CFR Part 98, Subpart DD).
- (6) As reported to EPA under the mandatory GHG Reporting Protocols (40 CFR Part 98, Subpart W).

Total CO₂e is calculated using the following global warming potentials from the IPCC Fourth Assessment Report:

- CO₂ = 1
- CH₄ = 25
- N₂O = 298
- SF₆ = 22,800

Resources						
7	Human Resources					
7.1	Total Number of Employees	973	1,590	1,596	1,520	
7.2	Percentage of Women in Total Workforce			28	27	2022 new metric/Added to the 10k
7.3	Percentage of Minorities in Total Workforce			9	9	2022 new metric/AAP reports hold this information. Produced in April. Data not released - 04.20.2023
7.4	Total Number on Board of Directors/Trustees	11	9	10	9	
7.5	Percentage of Women on Board of Directors/Trustees			40	33	2022 as percentage rather than total/Available from the proxy statement
7.6	Percentage of Minorities on Board of Directors/Trustees			20	11	2022 as percentage rather than total/Documented in the proxy statement
7.7	Employee Safety Metrics					
7.7.1	Recordable Incident Rate	4.74	2.29	3.09	1.79	Safety data for the year 2005 is for Montana-Dakota/GPNG only and pulled from archived safety spreadsheet
7.7.2	Lost-time Case Rate	1.29	1.05	0.92	0.46	Safety data for the years 2020, 2021 and 2022 are for the utility group (Montana-Dakota, GPNG, CNG, and IGC) and pulled from executive rollout stats per year
7.7.3	Days Away, Restricted, and Transfer (DART) Rate	0.75	1.44	1.84	1.26	
7.7.4	Work-related Fatalities	0.00	0.00	0.00	0.00	

Ref. No.	Refer to the 'EEI Definitions' tab for more information on each metric	2005 Baseline	2021	2022	2023	Comments, Links, Additional Information, and Notes
8	Fresh Water Resources used in Thermal Power Generation Activities					
8.1	Water Withdrawals - Consumptive (Millions of Gallons)	1,029.67	531.17	537.75	520.20	2022 new metric. Calculated for 2005, 2020, and 2021.
8.2	Water Withdrawals - Non-Consumptive (Millions of Gallons)	0.00	20,234.75	4,062.78	27.96	2022 new metric. Calculated for 2005, 2020, and 2021.
8.3	Water Withdrawals - Consumptive Rate (Millions of Gallons/Net MWh)	0.0004424	0.0002086	0.0002687	0.0002723	2022 unit change to (millions of gallons/net MWh). Recalculated for 2005, 2020, and 2021. Before 2022, calculation was done in Billions of Liters/Net MWh.
8.4	Water Withdrawals - Non-Consumptive Rate (Millions of Gallons/Net MWh)	0.0128900	0.0079468	0.0020299	0.0000146	2022 unit change to (millions of gallons/net MWh). Recalculated for 2005, 2020, and 2021. Before 2022, calculation was done in Billions of Liters/Net MWh.
9	Waste Products					
9.1	Amount of Hazardous Waste Manifested for Disposal		12,798	21,692	712	2005 data was not available for hazardous waste disposal quantities.
9.2	Percent of Coal Combustion Products Beneficially Used	17%	19%	21%	24%	2021 decommissioning of a coal generating facility resulted in a increase in hazardous waste disposal amounts. Data is from multiple locations throughout Montana-Dakota electric and gas operations service territory. (units pounds)

Gas Company ESG/Sustainability Quantitative Information



Parent Company: MDU Resources Group
 Operating Company(s): WBI Energy Transmission, Inc.
 Business Type(s):
 State(s) of Operation: Minnesota, Montana, North Dakota, South Dakota, Wyoming
 Regulatory Environment: Regulated
 Report Date: June 2024

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
Natural Gas Distribution					
1	Methane Emissions and Mitigation from Distribution Mains				All methane leak sources per 98.232 (i) (1-6) are included for Distribution. Combustion sources are excluded. CO ₂ is excluded.
1.1	Number of Gas Distribution Customers				
1.2	Distribution Mains in Service				These metrics should include all local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule.
1.2.1	Plastic (miles)				
1.2.2	Cathodically Protected Steel - Bare & Coated (miles)				
1.2.3	Unprotected Steel - Bare & Coated (miles)				
1.2.4	Cast Iron / Wrought Iron - without upgrades (miles)				
1.3	Plan/Commitment to Replace / Upgrade Remaining Miles of Distribution Mains (# years to complete)				
1.3.1	Unprotected Steel (Bare & Coated) (# years to complete)				Optional: # yrs by pipe type.
1.3.2	Cast Iron / Wrought Iron (# years to complete)				Optional: # yrs by pipe type.
2	Distribution CO₂e Fugitive Emissions				
2.1	CO ₂ e Fugitive Methane Emissions from Gas Distribution Operations (metric tons)				Fugitive methane emissions (not CO ₂ combustion emissions) stated as CO ₂ e, as reported to EPA under 40 CFR 98, Subpart W, sections 98.236(q)(3)(ix)(D), 98.236(r)(1)(v), and 98.236(r)(2)(v)(B) - i.e., this is Subpart W methane emissions as input in row 2.2 below and converted to CO ₂ e here. This metric should include fugitive methane emissions above the reporting threshold for all natural gas local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule. Calculated value based on mt CH ₄ input in the 2.2 (below).
2.2	CH ₄ Fugitive Methane Emissions from Gas Distribution Operations (metric tons)				INPUT VALUE (total mt CH ₄) as explained in definition above. Subpart W input is CH ₄ (mt).
2.2.1	CH ₄ Fugitive Methane Emissions from Gas Distribution Operations (MMSCF/year)				
2.3	Annual Natural Gas Throughput from Gas Distribution Operations in thousands of standard cubic feet (Mscf/year)				This metric provides gas throughput from distribution (quantity of natural gas delivered to end users) reported under Subpart W, 40 C.F.R. 98.236(aa)(9)(iv), as reported on the Subpart W e-GRRT integrated reporting form in the "Facility Overview" worksheet Excel form, Quantity of natural gas delivered to end users (column 4).
2.3.1	Annual Methane Gas Throughput from Gas Distribution Operations in millions of standard cubic feet (MMscf/year)				
2.4	Fugitive Methane Emissions Rate (Percent MMscf of Methane Emissions per MMscf of Methane Throughput)				Calculated annual metric: (MMSFC methane emissions/MMSCF methane throughput)
Natural Gas Transmission and Storage					

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
					All methane leak sources per 98.232 (e) (1-8), (f)(1-8), and (m) are included for Transmission and Storage. Combustion sources are excluded. CO ₂ and N ₂ O are excluded.
1	Onshore Natural Gas Transmission Compression Methane Emissions				Fugitive Methane emissions as defined in 40 CFR 98 Sub W Section 232 (e) (1-8), CO ₂ and N ₂ O emissions are excluded from this section.
1.1.1	Pneumatic Device Venting (metric tons/year)	37.8	37.8	37.4	Value reported using calculation in 40 CFR 98 Sub W Section 236(b)(4)
1.1.2	Blowdown Vent Stacks (metric tons/year)	134.2	355.8	200.4	Value reported using calculation in 40 CFR 98 Sub W Section 236(i)(1)(iii)
1.1.3	Transmission Storage Tanks (metric tons/year)	218.6	794.5	802.3	Value reported using calculation in 40 CFR 98 Sub W Section 236(k)(2)(v)
1.1.4	Flare Stack Emissions (metric tons/year)	0.0	0.0	0.0	Value reported using calculation in 40 CFR 98 Sub W Section 236(n)(11)
1.1.5	Centrifugal Compressor Venting (metric tons/year)	466.6	349.5	680.6	Value reported using calculation in 40 CFR 98 Sub W Section 236(o)(2)(ii)(D)(2)
1.1.6	Reciprocating Compressor Venting (metric tons/year)	1,143.5	945.6	952.9	Value reported using calculation in 40 CFR 98 Sub W Section 236(p)(2)(ii)(D)(2)
1.1.7	Equipment leaks from valves, connectors, open ended lines, pressure relief valves, and meters (metric tons/year)	64.1	83.5	70.5	Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
1.1.8	Other Leaks (metric tons/year)	0.0	0.0	0.0	Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
1.2	Total Transmission Compression Methane Emissions (metric tons/year)	2,064.8	2,566.7	2,744.2	
1.3	Total Transmission Compression Methane Emissions (CO ₂ e/year)	51,620.0	64,167.5	68,604.3	
1.4	Total Transmission Compression Methane Emissions (MSCF/year)	107,542.2	133,682.3	142,925.5	Density of Methane = 0.0192 kg/ft3 per 40 CFR Sub W EQ. W-36
2	Underground Natural Gas Storage Methane Emissions				Fugitive Methane emissions as defined in 40 CFR 98 Sub W Section 232 (f) (1-8), CO ₂ and N ₂ O emissions are excluded from this section.
2.1.1	Pneumatic Device Venting (metric tons/year)	20.1	20.1	20.1	Value reported using calculation in 40 CFR 98 Sub W Section 236(b)(4)
2.1.2	Flare Stack Emissions (metric tons/year)	0.0	0.0	0.0	Value reported using calculation in 40 CFR 98 Sub W Section 236(n)(11)
2.1.3	Centrifugal Compressor Venting (metric tons/year)	0.0	0.0	0.0	Value reported using calculation in 40 CFR 98 Sub W Section 236(o)(2)(ii)(D)(2)
2.1.4	Reciprocating Compressor Venting (metric tons/year)	168.4	339.2	539.1	Value reported using calculation in 40 CFR 98 Sub W Section 236(p)(2)(ii)(D)(2)
2.1.5	Equipment leaks from valves, connectors, open ended lines, pressure relief valves, and meters (metric tons/year)	11.8	17.5	16.6	Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
2.1.6	Other Equipment Leaks (metric tons/year)	0.0	0.0	0.0	Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
2.1.7	Equipment leaks from valves, connectors, open-ended lines, and pressure relief valves associated with storage wellheads (metric tons/year)	41.6	41.5	41.5	Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
2.1.8	Other equipment leaks from components associated with storage wellheads (metric tons/year)	0.0	0.0	0.0	Value reported using calculation in 40 CFR 98 Sub W Section 232(q)(2)(v)
2.2	Total Storage Compression Methane Emissions (metric tons/year)	241.9	418.3	617.3	
2.3	Total Storage Compression Methane Emissions (CO ₂ e/year)	6,047.5	10,457.5	15,432.3	
2.4	Total Storage Compression Methane Emissions (MSCF/year)	12,600.0	21,786.5	32,150.5	Density of Methane = 0.0192 kg/ft3 per 40 CFR Sub W EQ. W-36
3	Onshore Natural Gas Transmission Pipeline Blowdowns				Blowdown vent stacks for onshore transmission pipeline as defined in 40 CFR 98 Sub W Section 232 (m), CO ₂ and N ₂ O emissions are excluded from this section.
3.1	Transmission Pipeline Blowdown Vent Stacks (metric tons/year)	249.0	443.5	580.2	Value reported using calculation in 40 CFR 98 Sub W Section 232(i)(3)(ii)
3.2	Transmission Pipeline Blowdown Vent Stacks (CO ₂ e/year)	6,224.0	11,087.5	14,505.3	
3.3	Transmission Pipeline Blowdown Vent Stacks (MSCF/year)	12,966.7	23,099.0	30,219.3	
4	Other Non-Sub W Emissions Data (OPTIONAL)				(OPTIONAL) If desired, report additional sources required by ONE Future include dehydrator vents, storage station venting transmission pipeline leaks, and storage tank methane.
4.1	Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (metric tons/year)	574.3	428.7	500.99	

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
4.2	Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (CO ₂ e/year)	14,357.5	10,716.5	12,526.9	
4.3	Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (MSCF/year)	29,911.5	22,326.0	26,097.7	
5	Summary and Metrics				
5.1	Total Transmission and Storage Methane Emissions (tonnes/yr)	3,130.0	3,857.2	4,442.68	
5.2	Annual Natural Gas Throughput from Gas Transmission and Storage Operations (MSCF/year)	454,900,604.8	474,738,698.0	500,605,000.0	EIA 176 throughput or other reference for other throughput selected
5.2.1	Annual Methane Gas Throughput from Gas Transmission and Storage Operations (MMSCF/year)	432,155.6	451,001.8	475,574.8	Methane content in natural gas equals 95% based on 40 CFR 98 Sub W 233(u)(2)(vii)
5.2.2	Annual Methane Gas Throughput from Gas Transmission and Storage Operations (tonne/year)	8,297,387.0	8,659,233.9	9,131,035.2	
5.2.3	Annual Methane Mileage Adjusted Throughput from Gas Transmission and Storage Operations (tonne/year)	8,884,604.8	9,283,110.3	9,732,882.1	
5.3	Methane Emissions Intensity Metric (Percent MMscf of Methane Emissions per MMscf of Methane Throughput)	0.038%	0.045%	0.049%	
5.3.1	Methane Emissions Intensity Metric (Based on Mileage Adjusted Throughput)	0.035%	0.042%	0.046%	
Natural Gas Gathering and Boosting					
1	METHANE EMISSIONS				
1.1	Gathering and Boosting Pipelines, Blow Down Volumes, and Emissions				
1.1.1	Total Miles of Gathering Pipeline Operated by gas utility (miles)				
1.1.2	Volume of Gathering Pipeline Blow Down Emissions (scf)				This metric is collected to support calculations under EPA 40 CFR 98, Subpart W.
1.1.3	Gathering Pipeline Blow-Down Emissions outside storage and compression facilities (metric tons CO ₂ e)				
2	CO₂e COMBUSTION EMISSIONS FOR GATHERING & BOOSTING COMPRESSION				
2.1	CO ₂ e Emissions for Gathering & Boosting Compression Stations (metric tons)				CO ₂ combustion emissions as reported to EPA under 40 CFR 98, Subpart C, as directed in Subpart W, 98.232(k).
3	CONVENTIONAL COMBUSTION EMISSIONS FROM GATHERING & BOOSTING COMPRESSION				
3.1	Emissions reported for all permitted sources (minor or major)				The number of permitted sources for conventional emissions may not be the same number of sources reporting under the EPA GHG reporting rule. Companies may wish to describe which, or how many, sources are included in the conventional pollutants data and whether the CO ₂ e data reported includes all of these sources.
3.1.1	NOx (metric tons per year)				
3.1.2	VOC (metric tons per year)				
Human Resources					
1.1	Total Number of Employees	315	321	321	Reference Section 7 Human Resources in EEI Definitions tab.
1.2	Percentage of Women in Total Workforce	19	19	19	

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
1.3	Percentage of Minorities in Total Workforce	3	3	3	
2.1	Total Number on Board of Directors/Trustees	9	10	9	
2.2	Percentage of Women on Board of Directors/Trustees	44	40	33	
2.3	Percentage of Minorities on Board of Directors/Trustees	11	20	11	
3	Employee Safety Metrics				
3.1	Recordable Incident Rate	0.99	1.3	1.9	
3.2	Lost-time Case Rate	0.66	0.33	1.3	
3.3	Days Away, Restricted, and Transfer (DART) Rate	0.66	0.33	1.3	
3.4	Work-related Fatalities	0	0	0	
Additional Metrics (Optional)					
1	Conventional Air Emissions				The number of permitted sources for conventional emissions may not be the same number of sources reporting under the EPA GHG reporting rule. Companies may wish to describe which, or how many, sources are included in the conventional pollutants data and whether the CO ₂ e data reported includes all of these sources.
1.1	Total Oxides of Nitrogen (NOx) Emissions from permitted sources (ton/yr)	719	671	674	
1.2	Total Volatile Organic Compound (VOC) Emissions from permitted sources (ton/yr)	220	251	291	

Gas Company ESG/Sustainability Quantitative Information



Parent Company: MDU Resources
 Operating Company(s): Cascade Natural Gas Corp, Intermountain Gas Co., Great Plains Natural Gas Co., and Montana-Dakota Utilities Co. (Utility Group)
 Business Type(s):
 State(s) of Operation: Idaho, Oregon, Montana, Minnesota, North Dakota, South Dakota, Washington, and Wyoming
 Regulatory Environment: Regulated
 Report Date: June 2024

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
Natural Gas Distribution					
					All methane leak sources per 98.232 (f) (1-6) are included for Distribution. Combustion sources are excluded. CO ₂ is excluded. Only Cascade Natural Gas Corporation for Washington and Oregon and Intermountain Gas Co. for Idaho are included here as those states meet the requirements to report Subpart W. Under OAR 340-215-0115, beginning RY 2020 CNGC-OR is required to report Subpart W to the ODEQ. These emissions will now be added to this report.
1	METHANE EMISSIONS AND MITIGATION FROM DISTRIBUTION MAINS				
1.1	Number of Gas Distribution Customers	1,016,670	1,034,821	1,049,275	This metric includes all gas distribution customers for the Utility Group.
1.2	Distribution Mains in Service				These metrics include all local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule. Only Cascade Natural Gas Corporation Washington and Intermountain Gas Co. are required to report Subpart W.
1.2.1	Plastic (miles)	7,728	7,985	8,245	
1.2.2	Cathodically Protected Steel - Bare & Coated (miles)	5,809	5,829	5,848	
1.2.3	Unprotected Steel - Bare & Coated (miles)	0	0	0	
1.2.4	Cast Iron / Wrought Iron - without upgrades (miles)	0	0	0	
1.3	Plan/Commitment to Replace / Upgrade Remaining Miles of Distribution Mains (# years to complete)	0	0	0	
1.3.1	Unprotected Steel (Bare & Coated) (# years to complete)	0	0	0	
1.3.2	Cast Iron / Wrought Iron (# years to complete)	0	0	0	
2	Distribution CO₂e Fugitive Emissions				
2.1	CO ₂ e Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	64,868	66,413	67,618	Fugitive methane emissions (not CO ₂ combustion emissions) stated as CO ₂ e, as reported to EPA under 40 CFR 98, Subpart W, sections 98.236(q)(3)(ix)(D), 98.236(r)(1)(v), and 98.236(r)(2)(v)(B) - i.e., this is Subpart W methane emissions as input in row 2.2.1 below and converted to CO ₂ e here. This metric includes fugitive methane emissions above the reporting threshold for all natural gas local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule. Calculated value based on mt CH ₄ input in the 2.2.1 (below).
2.2	CH ₄ Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	2,595	2,657	2,705	INPUT VALUE (total mt CH ₄) as explained in definition above. Subpart W input is CH ₄ (mt).
2.2.1	CH ₄ Fugitive Methane Emissions from Gas Distribution Operations (MMSCF/year)	135	138	141	
2.3	Annual Natural Gas Throughput from Gas Distribution Operations in thousands of standard cubic feet (Mscf/year)	215,696,471	218,461,876	236,594,331	This metric provides gas throughput from distribution (quantity of natural gas delivered to end users) reported under Subpart W, 40 C.F.R. 98.236(aa)(9)(iv), as reported on the Subpart W e-GRRR integrated reporting form in the "Facility Overview" worksheet Excel form, quantity of natural gas delivered to end users (column 4).
2.3.1	Annual Methane Gas Throughput from Gas Distribution Operations in millions of standard cubic feet (MMscf/year)	204,912	207,539	224,765	

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
2.4	Fugitive Methane Emissions Rate (MMscf of Methane Emissions per MMscf of Methane Throughput)	0.07%	0.07%	0.06%	
Natural Gas Transmission and Storage					
1	Onshore Natural Gas Transmission Compression Methane Emissions	NA	NA	NA	All methane leak sources per 98.232 (e) (1-8), (f)(1-8), and (m) are included for Transmission and Storage. Combustion sources are excluded. CO ₂ and N ₂ O are excluded.
1.1.1	Pneumatic Device Venting (metric tons/year)				Fugitive Methane emissions as defined in 40 CFR 98 Sub W Section 232 (e) (1-8), CO ₂ and N ₂ O emissions are excluded from this section.
1.1.2	Blowdown Vent Stacks (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(b)(4)
1.1.3	Transmission Storage Tanks (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(i)(1)(iii)
1.1.4	Flare Stack Emissions (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(k)(2)(v)
1.1.5	Centrifugal Compressor Venting (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(n)(11)
1.1.6	Reciprocating Compressor Venting (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(o)(2)(ii)(D)(2)
1.1.7	Equipment leaks from valves, connectors, open ended lines, pressure relief valves, and meters (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(p)(2)(ii)(D)(2)
1.1.8	Other Leaks (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
1.2	Total Transmission Compression Methane Emissions (metric tons/year)				
1.3	Total Transmission Compression Methane Emissions (CO ₂ e/year)				
1.4	Total Transmission Compression Methane Emissions (MSCF/year)				Density of Methane = 0.0192 kg/ft ³ per 40 CFR Sub W EQ. W-36
2	Underground Natural Gas Storage Methane Emissions	NA	NA	NA	Fugitive Methane emissions as defined in 40 CFR 98 Sub W Section 232 (f) (1-8), CO ₂ and N ₂ O emissions are excluded from this section.
2.1.1	Pneumatic Device Venting (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(b)(4)
2.1.2	Flare Stack Emissions (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(n)(11)
2.1.3	Centrifugal Compressor Venting (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(o)(2)(ii)(D)(2)
2.1.4	Reciprocating Compressor Venting (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(p)(2)(ii)(D)(2)
2.1.5	Equipment leaks from valves, connectors, open ended lines, pressure relief valves, and meters (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
2.1.6	Other Equipment Leaks (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
2.1.7	Equipment leaks from valves, connectors, open-ended lines, and pressure relief valves associated with storage wellheads (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 236(q)(2)(v)
2.1.8	Other equipment leaks from components associated with storage wellheads (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 232(q)(2)(v)
2.2	Total Storage Compression Methane Emissions (metric tons/year)				
2.3	Total Storage Compression Methane Emissions (CO ₂ e/year)				
2.4	Total Storage Compression Methane Emissions (MSCF/year)				Density of Methane = 0.0192 kg/ft ³ per 40 CFR Sub W EQ. W-36
3	Onshore Natural Gas Transmission Pipeline Blowdowns	NA	NA	NA	Blowdown vent stacks for onshore transmission pipeline as defined in 40 CFR 98 Sub W Section 232 (m), CO ₂ and N ₂ O emissions are excluded from this section.
3.1	Transmission Pipeline Blowdown Vent Stacks (metric tons/year)				Value reported using calculation in 40 CFR 98 Sub W Section 232(i)(3)(ii)
3.2	Transmission Pipeline Blowdown Vent Stacks (CO ₂ e/year)				
3.3	Transmission Pipeline Blowdown Vent Stacks (MSCF/year)				

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
4	Other Non-Sub W Emissions Data	NA	NA	NA	Additional sources required by ONE Future include dehydrator vents, storage station venting transmission pipeline leaks, and storage tank methane.
4.1	Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (metric tons/year)				
4.2	Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (CO ₂ e/year)				
4.3	Total Methane Emissions from additional sources not recognized by 40 CFR 98 Subpart W (MSCF/year)				
5	Summary and Metrics	NA	NA	NA	
5.1	Total Transmission and Storage Methane Emissions (MMSCF/year)				EIA 176 throughput or other reference for other throughput selected. Methane content in natural gas equals 95% based on 40 CFR 98 Sub W 233(u)(2)(vii).
5.2	Annual Natural Gas Throughput from Gas Transmission and Storage Operations (MSCF/year)				
5.2.1	Annual Methane Gas Throughput from Gas Transmission and Storage Operations (MMSCF/year)				
5.3	Fugitive Methane Emissions Rate (MMscf of Methane Emissions per MMscf of Methane Throughput)				
Natural Gas Gathering and Boosting					
1	METHANE EMISSIONS	NA	NA	NA	This metric is collected to support calculations under EPA 40 CFR 98, Subpart W.
1.1	Gathering and Boosting Pipelines, Blow Down Volumes, and Emissions				
1.1.1	Total Miles of Gathering Pipeline Operated by gas utility (miles)				
1.1.2	Volume of Gathering Pipeline Blow Down Emissions (scf)				
1.1.3	Gathering Pipeline Blow-Down Emissions outside storage and compression facilities (metric tons CO ₂ e)				
2	CO₂e COMBUSTION EMISSIONS FOR GATHERING & BOOSTING COMPRESSION				CO ₂ combustion emissions as reported to EPA under 40 CFR 98, Subpart C, as directed in Subpart W, 98.232(k).
2.1	CO ₂ e Emissions for Gathering & Boosting Compression Stations (metric tons)				
3	CONVENTIONAL COMBUSTION EMISSIONS FROM GATHERING & BOOSTING COMPRESSION				The number of permitted sources for conventional emissions may not be the same number of sources reporting under the EPA GHG reporting rule. Companies may wish to describe which, or how many, sources are included in the conventional pollutants data and whether the CO ₂ e data reported includes all of these sources.
3.1	Emissions reported for all permitted sources (minor or major)				
3.1.1	NOx (metric tons per year)				
3.1.2	VOC (metric tons per year)				

Ref. No.	Refer to the "Definitions" column for more information on each metric.	2021	2022	2023 Current Year	Definitions
Human Resources					
1.1	Total Number of Employees				Reference Section 7 Human Resources in EEI Definitions tab.
1.2	Percentage of Women in Total Workforce				
1.3	Percentage of Minorities in Total Workforce				
2.1	Total Number on Board of Directors/Trustees				
2.2	Percentage of Women on Board of Directors/Trustees				
2.3	Percentage of Minorities on Board of Directors/Trustees				
3	Employee Safety Metrics				
3.1	Recordable Incident Rate				
3.2	Lost-time Case Rate				
3.3	Days Away, Restricted, and Transfer (DART) Rate				
3.4	Work-related Fatalities				

Everus Construction Group - Engineering and Construction Services Sustainability Accounting Standards

SASB Code	Topic	Accounting Metric	Category	"Unit of Measure"	Everus
IFEN-160a.1	Environmental Impacts of Project Development	Number of incidents of non-compliance with environmental permits, standards, and regulations	Quantitative	Number	None.
IFEN-160a.2		Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	Discussion & Analysis	n/a	Assessment of environmental risks are typically performed by the project owner or its representative. To the extent environmental risks are applicable to a project, the project owner or its representative typically prescribes processes and procedures for environmental risk management and mitigation.
IFEN-250a.1	Structural Integrity & Safety	Amount of defect- and safety-related rework expenses	Quantitative	U.S. Dollars (\$)	Everus had no material defect- and safety-related rework expenses in the past three years.
IFEN-250a.2		Amount of legal and regulatory fines and settlements associated with defect- and safety-related incidents (Disclosure shall include a description of fines and settlements and corrective actions implemented in response to events.)	Quantitative	U.S. Dollars (\$)	<p>Everus had no material settlements for defect-related incidents in the past three years. The company paid the following OSHA fines/settlements for safety-related incidents at Dec. 31:</p> <p>2023 — \$34,000</p> <ul style="list-style-type: none"> International Line Builders entered into a sidebar agreement with the Washington State Department of Labor and Industries, agreeing to pay a penalty of \$14,000 and conduct additional safety training in Eastern Washington. Capital Electric Construction Company entered into an informal settlement with OSHA agreeing to pay an Other-than-Serious Citation penalty of \$20,000 for an incident in Iowa. <p>2022 — \$0 2021 — \$0</p>
IFEN-320a.1	Workforce Health & Safety	(1) Total recordable injury rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	<p>Everus' TRIR rate for employees at Dec. 31:</p> <p>2023 — 1.56 2022 — 1.91 2021 — 1.60</p> <p>Everus did not have any employee fatalities in the three reporting years. The company does not track TRIR or fatality rates for subcontractors but is unaware of any fatalities of its subcontractors in the past three years.</p>
IFEN-410a.1	Lifecycle Impacts of Buildings & Infrastructure	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking certification	Quantitative	Number	Everus' operating companies perform projects associated with multi-attributable sustainability standards, but Everus does not categorize its project backlog based on this type of project.
IFEN-410a.2		Discussion of process to incorporate operational phase energy and water efficiency considerations into project planning and design	Discussion & Analysis	n/a	Everus works with projects owners to incorporate energy and water efficiency opportunities according to the project owner's interest.
IFEN-410b.1	Climate Impacts of Business Mix	Backlog for (1) hydrocarbon-related projects and (2) renewable energy projects	Quantitative	U.S. Dollars (\$)	<p>Everus' operating companies perform installation and maintenance services for natural gas distribution utility companies, but Everus does not categorize its project backlog based on the customer's type of source fuel. Some of Everus' operating companies perform wind- and solar-related projects. Backlog from solar-related projects at Dec. 31 totaled:</p> <p>2023 - \$7,397,301 2022 - \$29,611,371 2021 - \$80,536,246</p>
IFEN-410b.2		Amount of backlog cancellations associated with hydrocarbon-related projects	Quantitative	U.S. Dollars (\$)	Some of Everus' operating companies perform installation and maintenance services for natural gas distribution utility companies, but Everus does not categorize its project backlog based on the customer's type of source fuel.
IFEN-410b.3		Backlog for non-energy projects associated with climate change mitigation	Quantitative	U.S. Dollars (\$)	Everus had no material project backlog of non-energy projects associated with climate change mitigation in the past three years.

SASB Code	Topic	Accounting Metric	Category	"Unit of Measure"	Everus
IFEN-510a.1	Business Ethics	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	U.S. Dollars (\$)	None. Other than periodic services provided for agencies of the U.S. government, Everus only provides services and equipment in the United States.
IFEN-510a.2		Amount of legal and regulatory fines and settlements associated with charges of (1) bribery or corruption and (2) anti-competitive practices	Quantitative	U.S. Dollars (\$)	Everus has never incurred fines or paid settlements related to bribery, corruption or anti-competitive practices.
IFEN-510a.3		Description of policies and practices for prevention of (1) corruptions and bribery and (2) anti-competitive behavior in the project bidding processes	Discussion & Analysis	n/a	Please see additional information under the Sustainability-Governance area of this website.
IFEN-000.A		Number of active projects	Quantitative	Number	Everus' active projects at Dec. 31: 2023 — 13,496 active out of 49,867 total 2022 — 15,027 active out of 51,818 total 2021 — 14,057 active out of 50,665 total
IFEF-000.B		Number of commissioned projects	Quantitative	Number	Everus' commissioned projects at Dec. 31: 2023 — 36,371 2022 — 36,791 2021 — 36,608
IFEN-000.C	Total backlog	Quantitative	U.S. Dollars (\$)	Everus' backlog at Dec. 31 (in millions): 2023 — \$2.011 2022 — \$2.131 2021 — \$1.385	