

MONTANA-DAKOTA UTILITIES CO.
2015 O&M BUDGET VS 2014 ACTUAL
SOUTH DAKOTA ELECTRIC O&M

				Ledger Type				
Object	Object Des	Charging	Charging Responsibility Descri	2014 Actual	2015 Budget	Change	% change	
5911	Software M	129	Credit Collections	3,564	1	(3,563)	-100.0%	not review
		235	Sheridan District Manager	2,090	2,100	10	0.5%	not review
		721	IT Risk Mgt	392,315	480,500	88,185	22.5%	review
		723	Information Tech, Dir	54		(54)	-100.0%	not review
		810	Heskett Station Manager	6,391	2,000	(4,391)	-68.7%	not review
		820	Lewis & Clark Station Manager	61,230	62,000	770	1.3%	not review
		851	Glendive Turbine	303		(303)	-100.0%	not review
		852	Miles City Turbine	303		(303)	-100.0%	not review
		883	Electric System Manager	216,460	216,000	(460)	-0.2%	not review
		884	Electric Transmission Eng.	26,158	17,350	(8,808)	-33.7%	not review
		887	Dir. of Distrib. Engineering	25,347	28,000	2,653	10.5%	not review
		888	Communications	293,240	349,966	56,726	19.3%	review
		926	Information Systems	589,519	631,500	41,981	7.1%	review
		951	GIS Department	175,997	248,545	72,548	41.2%	review
		963	VP Human Resources	1,443		(1,443)	-100.0%	not review
		964	Mobile Services Manager	88,812	113,596	24,784	27.9%	review
		994	MDUR Cross Charge to MDU	178,273	202,240	23,967	13.4%	review
			Software Maintenance Total	2,089,760	2,438,359	348,600	16.7%	
Grand Total				2,089,760	2,438,359	348,600	16.7%	

EL - SD

	2014	Pro forma	
129	74	74	1/
712	29	29	1/
721	14,288	14,288	6/
723	1	1	1/
810	341	341	1/
820	3,294	3,294	1/
851	16	16	1/
852	16	16	1/
883	12,142	12,142	1/
884	1,989	1,989	1/
887	1,262	1,262	1/
888	17,468	17,468	7/
926	18,789	20,123	2/
951	2,868	2,868	3/
963	51	51	1/
964	1,684	2,360	4/
994	6,823	7,737	5/
Other	-	-	
	81,135	84,059	

PER JDE ACCOUNTS

Production	Transmission	Distribution	Customer Acct.	A&G	total	
				74	74	-
				29	29	-
					14,288	14,288
					1	1
					341	341
				3,294	3,294	-
				16	16	-
				16	16	-
				10,267	1,875	12,142
					1,989	1,989
					1,262	1,262
				5,774	8,044	17,468
					2,572	18,789
					2,868	2,868
					51	51
					358	1,684
					6,823	6,823
					-	-
					81,135	84,059
Per Books	19,708	11,908	5,456	3,033	41,030	81,135

Proforma changes

	Per O&M	Proforma	Change
Production	19,708	19,708	-
Transmission	11,908	11,908	-
Distribution	5,456	5,988	532
Customer Acct.	3,033	3,360	327
A&G	41,030	43,095	2,065
Total	81,135	84,059	2,924

Info Sys			183	1,151	1,334	7.1%
Mobile Svc		532	144		676	
MDUR				914	914	13.4%
Pro forma adjust.	-	-	532	327	2,065	2,924
Total Pro Forma	19,708	11,908	5,988	3,360	43,095	84,059

- 1/ No change.
- 2/ Software fees increasing on all software, i.e. JDE. Use 2015 budget.
- 3/ No change. Most is under contract expiring in late 2015.
- 4/ Increase for upgrade of fixed network.
- 5/ Increase in software, largely for Tax Dept.
- 6/ Annualized Jan-May 2015 is more than 2014. Use Budgeted increase.
- 7/ Jan-May 2015 is similar to 2014. No change.

964 Mobile Services Manager

Increase in 2015	516,000
Allocate to Electric - (#28)	57.300000%
Allocation to SD (#24)	6.555995%
Increase to South Dakota Electric	<u>5676</u>

Upgrade fixed network and other maintenance

Mulkern, Rita

From: Hirst, Mike
Sent: Thursday, March 19, 2015 10:34 AM
To: Mulkern, Rita
Subject: RE: O&M Changes - 2015 Budget

Increase due to upgrade to the fixed network in 2013 and Maintenance not in O&M until 2015 est. 18,000 ✓
Upgrade of Field Deployment Manager Maintenance not in O&M for 2104 but budgeted in 2015 est 6000 (note this project has been delayed and these budgeted dollars my not be required in 2015)

Also included in the 2015 budget was approximately 12,000 for maintenance on a mapping application which will not be spent.

Hope this helps

From: Mulkern, Rita
Sent: Tuesday, March 17, 2015 9:58 AM
To: Hirst, Mike
Subject: O&M Changes - 2015 Budget

Regulatory Affairs is preparing several rate cases, and one of the items I am reviewing is the change from actual costs in 2014 to the budgeted costs in 2015. For your responsibility, software maintenance is projected to increase from 2014 to 2015 for Montana-Dakota , as shown below. Would you be able to identify the reasons for the projected increase, and provide any supporting documents for the derivation of the 2015 budget? If you have any questions, please contact me. Thank you.

Object	Charging R	Charging Responsibility Des	2014 Actual	2015 Budget	Change	% Change
5911	964	Mobile Services Manager	\$88,812	\$113,596	\$24,784	27.9%

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**MONTANA-DAKOTA UTILITIES CO.
ELECTRIC O&M BY RESPONSIBILITY
2014**

Sum of Amount	Charging Responsibility Description	Object	Object Description	Ferc Minor	Juris SD	Grand Total
129	Credit Collections	5911	Software Maint	903	74	74
			Software Maintenance Total		74	74
	Credit Collections Total				74	74
129 Total					74	74
712	Meridian - Cust Service Center	5911	Software Maint	903	29	29
			Software Maintenance Total		29	29
	Meridian - Cust Service Center Total				29	29
712 Total					29	29
721	IT Risk Mgt	5911	Software Maint	921	14,287	14,287
			Software Maintenance Total		14,287	14,287
	IT Risk Mgt Total				14,287	14,287
721 Total					14,287	14,287
723	Information Tech, Dir	5911	Software Maint	921	1	1
			Software Maintenance Total		1	1
	Information Tech, Dir Total				1	1
723 Total					1	1
810	Heskett Station Manager	5911	Software Maint	506	341	341
			Software Maintenance Total		341	341
	Heskett Station Manager Total				341	341
810 Total					341	341
820	Lewis & Clark Station Manager	5911	Software Maint	502	802	802
				506	2,225	2,225
				514	267	267
			Software Maintenance Total		3,294	3,294
	Lewis & Clark Station Manager Total				3,294	3,294
820 Total					3,294	3,294
851	Glendive Turbine	5911	Software Maint	549	16	16
			Software Maintenance Total		16	16
	Glendive Turbine Total				16	16
851 Total					16	16
852	Miles City Turbine	5911	Software Maint	549	16	16
			Software Maintenance Total		16	16
	Miles City Turbine Total				16	16
852 Total					16	16
883	Electric System Manager	5911	Software Maint	556	10,267	10,267
				560	1,875	1,875
			Software Maintenance Total		12,142	12,142
	Electric System Manager Total				12,142	12,142
883 Total					12,142	12,142
884	Electric Transmission Eng.	5911	Software Maint	562	103	103
				570	1,887	1,887
			Software Maintenance Total		1,989	1,989
	Electric Transmission Eng. Total				1,989	1,989
884 Total					1,989	1,989
887	Dir. of Distrib. Engineering	5911	Software Maint	580	44	44
				590	1,218	1,218
			Software Maintenance Total		1,262	1,262
	Dir. of Distrib. Engineering Total				1,262	1,262
887 Total					1,262	1,262
888	Communications	5911	Software Maint	556	5,774	5,774
				560	8,038	8,038
				561	6	6
				921	3,155	3,155
				935	496	496

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MONTANA-DAKOTA UTILITIES CO.
ELECTRIC O&M BY RESPONSIBILITY
2014

Sum of Amount	Charging Responsibility Description	Object	Object Description	Ferc Minor	Juris SD	Grand Total
888	Communications	5911	Software Maintenance Total		17,468	17,468
	Communications Total				17,468	17,468
888 Total					17,468	17,468
926	Information Systems	5911	Software Maintenance	903	2,572	2,572
				921	16,217	16,217
			Software Maintenance Total		18,789	18,789
	Information Systems Total				18,789	18,789
926 Total					18,789	18,789
951	GIS Department	5911	Software Maintenance	588	2,868	2,868
			Software Maintenance Total		2,868	2,868
	GIS Department Total				2,868	2,868
951 Total					2,868	2,868
963	VP Human Resources	5911	Software Maintenance	921	51	51
			Software Maintenance Total		51	51
	VP Human Resources Total				51	51
963 Total					51	51
964	Mobile Services Manager	5911	Software Maintenance	588	1,325	1,325
				902	358	358
			Software Maintenance Total		1,684	1,684
	Mobile Services Manager Total				1,684	1,684
964 Total					1,684	1,684
994	MDUR Cross Charge to MDU	5911	Software Maintenance	921	6,823	6,823
			Software Maintenance Total		6,823	6,823
	MDUR Cross Charge to MDU Total				6,823	6,823
994 Total					6,823	6,823
Grand Total					81,135	81,135

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