

**MONTANA-DAKOTA UTILITIES CO.
ALLOCATION FACTORS - SOUTH DAKOTA
TWELVE MONTHS ENDED DECEMBER 31, 2014**

Federal Tax Rate	35.00%	
Combined Federal & State Tax Rate = Inverse	35.0000% 65.0000%	
Inverse of tax rate for revenue increase	64.90900%	0.09100%
SD Gross Receipts Tax =	0.0014	0.9986

Allocation Factors

	2014	2015
Factor 15-Integrated System 12 month Peak Demand	5.343380%	5.160705%
Factor 16-Integrated System Kwh sales	5.346317%	5.126190%
Factor 18-Interconnected System Transmission Plant	7.605631%	6.641044%
Factor 26-O&M Excl Fuel, Purchased Power & A&G	6.750064%	6.350924%
Factotr 271-Integrated Peak and Energy	5.345730%	5.133093%