

**MONTANA-DAKOTA UTILITIES CO.
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
1ST SET OF DATA REQUESTS
ISSUED MARCH 13, 2017
DOCKET NO. EL17-010**

Question 1.2

Provide a copy of Attachment A, pages 2 and 3 at the Total Company level.

Response:

Please see Response No. 1.2, Attachment A, page 1 for the Total Company 2016 Infrastructure Rider results, along with the allocation to South Dakota electric operations. During the analysis of Total Company results, inconsistencies were identified in the originally filed 2016 South Dakota Infrastructure Rider, Docket No. EL17-010. Specifically, the Plant Balance as filed had included an adjustment to reflect the transfer of dollars within work orders to close associated transmission assets; however, the total Company does not include the adjustment as the Power Plan accounting software did not include the transfer in Plant in Service until the following month. In addition, the original filing had used an estimate for Taxes Other Than Income rather than monthly actuals and it was incorrectly trued up and Production Tax Credits were not trued up to reflect the correct allocation factor for the entire year. Each of the errors was very immaterial in nature and the Total Company results show the corrected balances. These inconsistencies are discussed in Response Nos. 1.3.b, 1.3.g, 1.3.h and 1.3.i.

A revised (Over)/Under Tracker balance and projected 2017 Tracker rate has been attached. Please see Response No. 1.2, Attachment A, page 2. Carrying charges for 2016 and 2017 were recalculated to reflect the corrected South Dakota results. Please see Response No. 1.2, Attachment A, page 3. As stated in the Docket EL17-010, the Company still supports continuing to use the 2016 Tracker rate to provide a smoothing effect to the South Dakota customers.

The projected 2017 South Dakota Infrastructure Rider results were generally calculated from the 2016 South Dakota actuals, and not developed from a projected Total Company 2017 allocated to South Dakota.

In future infrastructure filings, both Total Company and allocated South Dakota actual and projected period results will be supplied.

Updated - April 25, 2017

Per discussion with Commission staff, Attachment A of the Company's Infrastructure Rider has been revised to reflect all changes and corrections resulting from the data requests in this Docket. Please see Response No. 1.2 Attachment B.