

**Montana-Dakota Utilities Co.  
Gas Utility - South Dakota  
DSM Performance Target Financial Incentive  
Summary of Programs and Incentive Threshold  
2013 Program Year**

Program	Black Hills			East River		
	Participants	Dk Saving	Budget	Participants	Dk Saving	Budget
<b>Residential</b>						
Furnaces Tier 1 - 92-94% AFUE						
Furnaces Tier 2 - 95+% AFUE - New						
Furnaces Tier 2 - 95+% AFUE - Replacement	140	1,834	\$42,000	30	393	\$9,000
Water Heating (.62 EF)	10	14	500	2	3	100
Water Heating (.67 EF)	10	36	1,000	2	7	200
Programmable Thermostats	73	212	1,460	27	78	540
<b>Commercial</b>						
Furnaces Tier 1 - 92-94% AFUE						
Furnaces Tier 2 - 95+% AFUE - New						
Furnaces Tier 2 - 95+% AFUE - Replacement	5	115	1,500	4	92	1,200
Custom Efficiency	2	200	1,200	1	100	600
Administration & Promotion			15,472 <sup>2/</sup>			3,778 <sup>2/</sup>
<b>Total</b>	<b>240</b>	<b>2,411</b>	<b>\$63,132</b>	<b>66</b>	<b>673</b>	<b>\$15,418</b>
Energy Audits 1/	40		\$9,600	10		\$2,400
<b>Total</b>	<b>280</b>	<b>2,411</b>	<b>\$72,732</b>	<b>76</b>	<b>673</b>	<b>\$17,818</b>
<b>Incentive Range</b>						
Minimum Incentive 3/			\$3,637			\$891
Incentive Cap 4/			10,673			2,621

1/ The Energy Audit program does not provide dk savings.

2/ Reflects administration costs of \$8,500 and promotional costs of \$10,750 for 2013.

3/ 5% of budget as established in Docket No. NG09-001.

4/ Authorized return adjusted for taxes at 125% of budget as established in Docket No. NG09-001.