

**Montana-Dakota Utilites Co.
Gas Utility - South Dakota**

**Gas Conservation Tracking Adjustment Rate 90
Effective February 1, 2013**

	<u>Black Hills</u>	<u>East River</u>
DSM Balance as of January 31, 2013 1/	(\$28,336)	\$896
2012 DSM Incentive 2/	5,774	1,701
2013 Budget 3/	<u>72,228</u>	<u>17,722</u>
Gas DSM Costs to be Recovered	\$49,666	\$20,319
Projected Volumes 4/	<u>4,658,000</u>	<u>725,000</u>
CTA Rate Effective February 1, 2013	<u><u>\$0.011</u></u>	<u><u>\$0.028</u></u>

1/ Revised Exhibit 2, Page 2.

2/ Revised Exhibit 3.

3/ Revised Exhibit 5.

4/ Projected volumes for February 1, 2013 through December 31, 2013.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota
Conservation Program Activity
January 1, 2012 - January 31, 2013**

<u>Program Activity</u>	<u>Black Hills</u>	<u>East River</u>
Beginning Balance as of January 1, 2012 1/	(\$17,708)	\$6,125
Current Activity		
Actual Expenditures 2/	58,531	16,568
CTA Recovered 2/	<u>44,054</u>	<u>13,260</u>
Estimated Activity - December 1, 2012 - January 31, 2013		
Expenditures 3/	7,565	7,878
Recovery 4/	32,670	16,415
Estimated DSM Balance as of January 31, 2013	<u><u>(\$28,336)</u></u>	<u><u>\$896</u></u>

1/ Total Costs to be Recovered, Revised Exhibit 2, Page 2 of 5, Docket No. NG11-006, effective April 1, 2012.

2/ Revised Exhibit 2, Pages 3 and 4. Including the carrying charge.

3/ Estimated expenditures based on December 1, 2011 - January 31, 2012 program and administrative expenditures.

4/ Estimated CTA recovery based on projected volumes and CTA rate effective April 1, 2012 in Docket No. NG11-006.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota**

**Black Hills
Conservation Monthly Account Balances
January 2012 through January 2013**

Month	Beginning Balance	Carrying Charge 1/	Current Month Charges	CTA Recovery	(Over)/Under Recovery
Previous Balance 2/					(\$17,708)
January 2012	(\$17,708)	(\$5)	\$2,733	\$5,426	(20,406)
February	(20,406)	(18)	3,303	5,253	(22,374)
March	(22,374)	(18)	4,480	5,617	(23,529)
April	(23,529)	(19)	12,424 3/	2,967	(14,091)
May	(14,091)	(13)	3,016	4,928	(16,016)
June	(16,016)	(14)	5,128	3,305	(14,207)
July	(14,207)	(14)	3,831	2,184	(12,574)
August	(12,574)	(13)	4,621	2,160	(10,126)
September	(10,126)	(11)	2,538	2,003	(9,602)
October	(9,602)	(10)	5,530	3,626	(7,708)
November	(7,708)	(7)	11,069	6,585	(3,231)
December - est. 4/	(3,231)	(3)	5,149	15,840	(13,925)
January 2013 - est. 4/	(13,925)	(14)	2,433	16,830	(28,336)
Total		<u>(\$159)</u>	<u>\$66,255</u>	<u>\$76,724</u>	

1/ Reflects 90-day Treasury Bill rate.

2/ Total program costs to be recovered in Docket No. NG11-006, Revised Exhibit 2, page 2 of 5.

3/ Reflects DSM incentive amount of \$9,484 authorized in Docket No. NG11-006.

4/ Estimated expenditures based on December 31, 2011 - January 31, 2012 program and administrative expenditures. Estimated CTA recovery based on projected volumes and CTA rate effective April 1, 2012 in Docket No. NG11-006.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota**

**East River
Conservation Monthly Account Balances
January 2012 through January 2013**

<u>Month</u>	<u>Beginning Balance</u>	<u>Carrying Charge 1/</u>	<u>Current Month Charges</u>	<u>CTA Recovery</u>	<u>(Over)/Under Recovery</u>
Previous Balance 2/					\$6,125
January 2012	\$6,125	\$2	\$4,887	\$966	10,048
February	10,048	9	540	993	9,604
March	9,604	8	826	938	9,500
April	9,500	8	2,210 3/	872	10,846
May	10,846	10	400	1,708	9,548
June	9,548	9	2,164	1,017	10,704
July	10,704	11	39	614	10,140
August	10,140	10	1,352	692	10,810
September	10,810	12	391	623	10,590
October	10,590	11	2,645	1,808	11,438
November	11,438	10	1,014	3,029	9,433
December - est. 4/	9,433	9	2,978	7,938	4,482
January 2013 - est. 4/	4,482	4	4,887	8,477	896
Total		<u>\$113</u>	<u>\$24,333</u>	<u>\$29,675</u>	

1/ Reflects 90-day Treasury Bill rate.

2/ Total program costs to be recovered in Docket No. NG11-006, Revised Exhibit 2, page 2 of 5.

3/ Reflects DSM Incentive amount of \$2,020 authorized in Docket No. NG11-006.

4/ Estimated expenditures based on December 31, 2011 - January 31, 2012 program and administrative expenditures. Estimated CTA recovery based on projected volumes and CTA rate effective April 1, 2012 in Docket No. NG11-006.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota**

**Summary of Actual DSM Expenditures
January 2012 through November 30, 2012**

Black Hills DSM Programs	Incentive	No. of Participants	Cost
Residential			
High Efficiency Furnace - 92-94%	\$150	7	\$1,050
High Efficiency Furnace - 95%+ (new)	300	26	7,800
High Efficiency Furnace - 95%+	300	89	26,700
High Efficiency Water Heater (.62 EF)	50	9	450
High Efficiency Water Heater (.67+ EF)	100	9	900
Programmable Thermostats	20	56	1,120
Energy Audits	4/	0	
Attic Insulation	1/	4	1,878
New Construction Bundle	2/	2	700
Commercial & Industrial			
High Efficiency Furnace - 92-94%	300	0	0
High Efficiency Furnace - 95%+ (new)	300	0	0
High Efficiency Furnace - 95%+ (replacement)	300	4	1,200
Custom	3/	0	0
Administrative Costs			3,691
DSM Incentive			9,484
Advertising			3,700
Total		<u>206</u>	<u>\$58,673</u>

East River DSM Programs	Incentive	No. of Participants	Cost
Residential			
High Efficiency Furnace - 92-94%	\$150	4	\$600
High Efficiency Furnace - 95%+ (new)	300	0	0
High Efficiency Furnace - 95%+	300	31	9,300
High Efficiency Water Heater (.62 EF)	50	2	100
High Efficiency Water Heater (.67+ EF)	100	0	0
Programmable Thermostats	20	23	460
Energy Audits	4/	0	500
Attic Insulation	1/	3	1,005
New Construction Bundle	2/	0	
Commercial & Industrial			
High Efficiency Furnace - 92-94%	300	0	0
High Efficiency Furnace - 95%+ (new)	300	0	0
High Efficiency Furnace - 95%+ (replacement)	300	0	0
Custom	3/	0	0
Administrative Costs			802
DSM Incentive			2,020
Advertising			1,681
Total		<u>63</u>	<u>\$16,468</u>

1/ Rebate dependent on the beginning and ending R-value of the insulation installed, square footage of installed insulation, and whether self installed or by a contractor. Program discontinued as of April 1, 2012.

2/ The heating and water heating equipment bundle rebate is \$300. The insulation bundle is an additional \$100. The program was discontinued as of April 1, 2012.

3/ Incentive is project specific.

4/ Indirect program. The charge reflects a retainer fee for the third party energy auditor.