

Table 1

Montana-Dakota Utilities Company
Gas Division

**Summary or Original Cost of Utility Plant in Service as of December 31, 2008
and Related Annual Depreciation Expense Under Present and Proposed Rates**

Account No.	Description	Original Cost 12/31/08	Present Rates		Proposed Plant Only Rates		Proposed Gross Salv Rates		Proposed COR Rates		Total Proposed Rates		Net Change Depr. Exp
			Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	
			(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
DEPRECIABLE PLANT													
Distribution Plant													
374.20	Rights of Way	322,677.60	0.75%	2,420.08	1.39%	4,485.22	0.00%	0.00	0.00%	0.00	1.39%	4,485.22	2,065.14
375.00	Distr. Meas & Reg Station Structures	609,311.11	2.57%	15,659.30	1.52%	9,261.53	0.18%	1,096.76	1.07%	6,519.63	2.77%	16,877.92	1,218.62
Mains													
376.10	Mains-Steel	41,975,049.45	1.92%	805,920.95	1.77%	742,958.36	0.00%	0.00	1.07%	449,133.03	2.84%	1,192,091.40	386,170.45
376.20	Mains-Plastic	63,935,958.79	1.92%	1,227,570.41	1.99%	1,272,325.58	0.00%	0.00	1.06%	677,721.16	3.05%	1,950,046.74	722,476.33
376.30	Mains-Valves	447,328.09	1.92%	8,588.70	2.29%	10,243.81	0.00%	0.00	1.25%	5,591.60	3.54%	15,835.41	7,246.71
376.40	Mains-Manholes	69,919.29	1.92%	1,342.45	1.83%	1,279.52	0.00%	0.00	1.06%	741.14	2.89%	2,020.67	678.22
376.50	Mains-Bridge & River Crossings	19,818.03	1.92%	380.51	2.06%	408.25	0.00%	0.00	1.07%	212.05	3.13%	620.30	239.79
	Total Mains	106,448,073.65	1.92%	2,043,803.02	1.90%	2,027,215.54	0.00%	0.00	1.06%	1,133,398.98	2.97%	3,160,614.52	1,116,811.50
378.00	Meas & Reg Station Equip-General	2,140,308.63	2.96%	63,353.14	2.22%	47,514.85	0.00%	0.00	0.92%	19,690.84	3.14%	67,205.69	3,852.55
379.00	Meas & Reg Station Equip-City Gate	1,028,821.89	3.54%	36,420.29	2.81%	28,909.90	0.00%	0.00	0.94%	9,670.93	3.75%	38,580.82	2,160.53
Services													
380.10	Services-Steel	7,285,187.87	5.66%	412,341.63	2.48%	180,672.66	0.00%	0.00	7.17%	522,347.97	9.65%	703,020.63	290,679.00
380.20	Services-Plastic	42,690,273.23	5.66%	2,416,269.46	2.50%	1,067,256.83	0.00%	0.00	5.41%	2,309,543.78	7.91%	3,376,800.61	960,531.15
380.30	Farm & Fuel Lines	248,640.18	5.66%	14,073.03	3.34%	8,304.58	0.00%	0.00	7.67%	19,070.70	11.01%	27,375.28	13,302.25
	Total Services	50,224,101.28	5.66%	2,842,684.12	2.50%	1,256,234.07	0.00%	0.00	5.68%	2,850,962.45	8.18%	4,107,196.52	1,264,512.40
381.00	Meters	55,172,050.24	3.19%	1,759,988.40	2.91%	1,605,506.66	0.00%	0.00	0.62%	342,066.71	3.53%	1,947,573.37	187,584.97
383.00	Service Regulators	5,555,207.98	2.59%	143,879.89	2.16%	119,992.49	-0.39%	(21,665.31)	0.00%	0.00	1.77%	98,327.18	(45,552.71)
385.00	Industrial Meas. & Reg. Station Equip	875,376.89	3.04%	26,611.46	2.43%	21,271.66	0.35%	3,063.82	0.53%	4,639.50	3.31%	28,974.98	2,363.52
MISCELLANEOUS EQUIPMENT													
386.10	Misc Property on Customers Premise	1,679.84	5.19%	87.18	2.39%	40.15	0.00%	0.00	0.00%	0.00	2.39%	40.15	(47.03)
386.20	CNG Refueling station	261,880.34	3.70%	9,689.57	0.27%	707.08	0.00%	0.00	0.00%	0.00	0.27%	707.08	(8,982.49)
386.30	CNG Lease/Demo	0.00											
	TOTAL Account 386	263,560.18	3.71%	9,776.75	0.28%	747.23	0.00%	0.00	0.00%	0.00	0.28%	747.23	(9,029.52)
OTHER EQUIPMENT													
387.10	Cathodic Protection Equipment	1,737,817.71	5.75%	99,924.52	3.21%	55,783.95	0.00%	0.00	0.00%	0.00	3.21%	55,783.95	(44,140.57)
387.20	Other Distribution Equipment	588,025.51	1.42%	8,349.96	0.99%	5,821.45	0.00%	0.00	0.00%	0.00	0.99%	5,821.45	(2,528.51)
	TOTAL Account 387	2,325,843.22	4.66%	108,274.48	2.65%	61,605.40	0.00%	0.00	0.00%	0.00	2.65%	61,605.40	(46,669.08)
	TOTAL Distribution Plant	224,965,332.67	3.14%	7,052,870.93	2.30%	5,182,744.55	-0.01%	(17,504.73)	1.94%	4,366,949.04	4.24%	9,532,188.85	2,479,317.92
General Plant													
390.00	General Structures	5,835,295.28	3.73%	217,656.51	3.09%	180,310.62	-0.04%	(2,334.12)	0.41%	23,924.71	3.46%	201,901.22	(15,755.29)
OFFICE FURNITURE & EQUIPMENT													
391.10	Office Furniture & Equipment	415,861.93	4.97%	20,668.34	6.59%	27,412.62	0.00%	0.00	0.00%	0.00	6.59%	27,412.62	6,744.28
391.30	Computer Equipment - PC	828,118.21	26.02%	215,476.36	11.28%	93,383.50	0.00%	0.00	0.00%	0.00	11.28%	93,383.50	(122,092.86)
391.50	Other Computer Equipment	53,696.84	0.00%	0.00	4.97%	2,667.08	0.00%	0.00	0.00%	0.00	4.97%	2,667.08	2,667.08
	TOTAL Account 391	1,297,676.98	18.20%	236,144.70	9.51%	123,463.20	0.00%	0.00	0.00%	0.00	9.51%	123,463.20	(112,681.50)

Table 1

**Montana-Dakota Utilities Company
Gas Division**

**Summary or Original Cost of Utility Plant in Service as of December 31, 2008
and Related Annual Depreciation Expense Under Present and Proposed Rates**

Account No.	Description	Original Cost 12/31/08	Present Rates		Proposed Plant Only Rates		Proposed Gross Salvy Rates		Proposed COR Rates		Total Proposed Rates		Net Change Depr. Exp.
			Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	Rate %	Annual Accrual	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
TRANSPORTATION EQUIPMENT													
392.10	Transportation Equipment (Trailers)	397,059.69	4.36%	17,311.80	12.35%	49,036.87	-2.68%	(10,641.20)	0.00%	0.00	9.67%	38,395.67	21,083.87
392.20	Trans Equipment (Cars & Trucks)	8,775,094.21	21.13%	1,854,177.41	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	(1,854,177.41)
TOTAL Account 392		9,172,153.90	20.40%	1,871,489.21	0.53%	49,036.87	-0.12%	(10,641.20)	0.00%	0.00	0.42%	38,395.67	(1,833,093.54)
393.00	Stores Equipment	148,282.28	2.49%	3,692.23	2.44%	3,613.53	0.00%	0.00	0.00%	0.00	2.44%	3,613.53	(78.70)
TOOLS, SHOP & GARAGE EQ.													
394.10	Tools, Shop & Garage Equip. (Non-Uni)	2,515,638.89	6.62%	166,535.29	5.65%	142,108.78	0.00%	0.00	0.00%	0.00	5.65%	142,108.78	(24,426.51)
394.30	Vehicle Maintenance Equipment	37,100.02	5.78%	2,144.38	7.12%	2,640.27	0.00%	0.00	0.00%	0.00	7.12%	2,640.27	495.89
394.40	Vehicle Refueling Equipment	26,852.90	4.72%	1,267.46	10.32%	2,772.05	0.00%	0.00	0.00%	0.00	10.32%	2,772.05	1,504.59
TOTAL Account 394		2,579,591.81	6.59%	169,947.13	5.72%	147,521.10	0.00%	0.00	0.00%	0.00	5.72%	147,521.10	(22,426.03)
395.00	Laboratory Equipment	172,283.97	7.67%	13,214.18	6.95%	11,980.02	0.00%	0.00	0.00%	0.00	6.95%	11,980.02	(1,234.16)
POWER OPERATED EQUIPMENT													
396.10	Work Equipment (Trailers)	530,575.86	5.76%	30,561.17	10.19%	54,065.68	-4.17%	(22,125.01)	0.00%	0.00	6.02%	31,940.67	1,379.50
396.20	Power Operated Equipment	6,142,234.08	0.00%	0.00	31.72%	1,948,316.65	-30.77%	(1,889,965.43)	0.00%	0.00	0.95%	58,351.22	58,351.22
TOTAL Account 396		6,672,809.94	0.46%	30,561.17	30.01%	2,002,382.33	-28.65%	(1,912,090.44)	0.00%	0.00	1.35%	90,291.89	59,730.72
COMMUNICATION EQUIPMENT													
397.10	Radio Communication Equip. (Fixed)	226,847.00	7.37%	16,718.62	6.07%	13,763.90	0.00%	0.00	0.00%	0.00	6.07%	13,763.90	(2,954.72)
397.20	Radio Communication Equip. (Mobile)	468,875.34	7.34%	34,415.45	4.06%	19,052.43	0.00%	0.00	0.00%	0.00	4.06%	19,052.43	(15,363.02)
397.30	General Telephone Communication Eq	56,947.69	9.88%	5,626.43	10.69%	6,089.15	0.00%	0.00	0.00%	0.00	10.69%	6,089.15	462.72
397.80	Network Equipment	172,146.81	26.26%	45,205.75	17.68%	30,435.15	0.00%	0.00	0.00%	0.00	17.68%	30,435.15	(14,770.60)
TOTAL Account 397		924,816.84	11.03%	101,966.25	7.50%	69,340.63	0.00%	0.00	0.00%	0.00	7.50%	69,340.63	(32,625.62)
398.00	Miscellaneous Equipment	56,850.20	1.27%	722.00	9.43%	5,361.40	0.00%	0.00	0.00%	0.00	9.43%	5,361.40	4,639.40
Sub-Total (General Plant) Amortization		5,179,602.08		525,686.49	6.98%	361,279.88	0.00%	0.00	0.00%	0.00	6.98%	361,279.88	(164,406.61)
TOTAL General Plant		26,859,761.20	9.85%	2,645,393.38	9.65%	2,593,009.70	-7.17%	(1,925,065.76)	0.09%	23,924.71	2.58%	691,868.66	(1,953,524.72)
TOTAL Depreciable Plant		251,825,093.87	3.85%	9,698,264.31	3.09%	7,775,754.25	-0.77%	(1,942,570.49)	1.74%	4,390,873.75	4.06%	10,224,057.51	525,793.20
NON-DEPRECIABLE PLANT													
374.1	Land (Distribution)	138,261.79											
389	Land & Land Rights (General)	1,328,891.91											
Total Land		1,467,153.70											
INTANGIBLE PLANT													
303	Miscellaneous Intangible Plant	3,949,065.10											
Total Intangible Plant		3,949,065.10											
TOTAL Non-Depreciable Plant		5,416,218.80											
TOTAL Plant in Service		257,241,312.67											

**Montana-Dakota Utilities Company
Gas Division**

Summary of Book Depreciation Reserve by Recovery Component as of December 31, 2008

Account No.	Description	Original Cost 12/31/08	Total Book Depr Reserve 12/31/08	Cost of Removal In Book Res.	Gross Salvage In Book Res.	Plant Only Depr Reserve 12/31/08
(a)	(b)	(c)	(g)	(h)	(i)	(j)
DEPRECIABLE PLANT						
Distribution Plant						
374.20	Rights of Way	322,677.60	67,017.62	0.00	0.00	67,017.62
375.00	Distr. Meas & Reg Station Structures	609,311.11	356,503.11	88,819.63	(35,226.21)	302,909.69
Mains						
376.10	Mains-Steel	41,975,049.45	36,466,142.85	11,014,795.39	643.84	25,450,703.62
376.20	Mains-Plastic	63,935,958.79	30,608,794.32	9,245,551.63	540.42	21,362,702.26
376.30	Mains-Valves	447,328.09	257,220.39	77,694.81	4.54	179,521.04
376.40	Mains-Manholes	69,919.29	55,146.20	16,657.21	0.97	38,488.02
376.50	Mains-Bridge & River Crossings	19,818.03	6,022.66	1,819.18	0.11	4,203.37
	Total Mains	106,448,073.65	67,393,326.41	20,356,518.22	1,189.88	47,035,618.31
378.00	Meas & Reg Station Equip-General	2,140,308.63	934,403.43	99,663.22	0.00	834,740.21
379.00	Meas & Reg Station Equip-City Gate	1,028,821.89	566,306.49	0.00	0.00	566,306.49
Services						
380.10	Services-Steel	7,285,187.87	12,429,968.14	7,570,293.69	249.91	4,859,424.53
380.20	Services-Plastic	42,690,273.23	30,149,319.03	18,362,010.04	606.17	11,786,702.82
380.30	Farm & Fuel Lines	248,640.18	256,290.49	156,090.04	5.15	100,195.29
	Total Services	50,224,101.28	42,835,577.66	26,088,393.78	861.24	16,746,322.64
381.00	Meters	55,172,050.24	16,541,851.01	0.00	0.00	16,541,851.01
383.00	Service Regulators	5,555,207.98	2,508,676.39	0.00	0.00	2,508,676.39
385.00	Industrial Meas. & Reg. Station Equipment	875,376.89	332,350.79	23,704.62	(71,113.80)	379,759.97
MISCELLANEOUS EQUIPMENT						
386.10	Misc Property on Customers Premise	1,679.84	1,474.70	0.00	0.00	1,474.70
386.20	CNG Refueling station	261,880.34	259,586.77	0.00	0.00	259,586.77
386.30	CNG Lease/Demo	0.00	26,496.25	0.00	0.00	26,496.25
	TOTAL Account 386	263,560.18	287,557.72	0.00	0.00	287,557.72
OTHER EQUIPMENT						
387.10	Cathodic Protection Equipment	1,737,817.71	1,180,475.15	0.00	0.00	1,180,475.15
387.20	Other Distribution Equipment	588,025.51	507,918.50	0.00	0.00	507,918.50
	TOTAL Account 387	2,325,843.22	1,688,393.65	0.00	0.00	1,688,393.65
	TOTAL Distribution Plant	224,965,332.67	133,511,964.28	46,657,099.47	(104,288.89)	86,959,153.70
General Plant						
390.00	General Structures	5,835,295.28	1,988,707.89	53,975.67	47,546.19	1,887,186.03
OFFICE FURNITURE & EQUIPMENT						
391.10	Office Furniture & Equipment	415,861.93	179,231.41	0.00	0.00	179,231.41
391.30	Computer Equipment - PC	828,118.21	823,565.05	0.00	0.00	823,565.05
391.50	Other Computer Equipment	53,696.84	8,767.81	0.00	0.00	8,767.81
	TOTAL Account 391	1,297,676.98	1,011,564.27	0.00	0.00	1,011,564.27

Montana-Dakota Utilities Company
Gas Division

Summary of Book Depreciation Reserve by Recovery Component as of December 31, 2008

Account No.	Description	Original Cost 12/31/08	Total Book Depr Reserve 12/31/08	Cost of Removal In Book Res.	Gross Salvage In Book Res.	Plant Only Depr Reserve 12/31/08
(a)	(b)	(c)	(g)	(h)	(i)	(j)
TRANSPORTATION EQUIPMENT						
392.10	Transportation Equipment (Trailers)	397,059.69	122,493.27	0.00	0.00	122,493.27
392.20	Transportation Equipment (Cars & Trucks)	8,775,094.21	7,366,984.18	0.00	0.00	7,366,984.18
	TOTAL Account 392	9,172,153.90	7,489,477.45	0.00	0.00	7,489,477.45
393.00	Stores Equipment	148,282.28	88,443.55	0.00	0.00	88,443.55
TOOLS, SHOP & GARAGE EQ.						
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	2,515,638.89	1,124,846.96	0.00	0.00	1,124,846.96
394.30	Vehicle Maintenance Equipment	37,100.02	23,917.83	0.00	0.00	23,917.83
394.40	Vehicle Refueling Equipment	26,852.90	16,795.80	0.00	0.00	16,795.80
	TOTAL Account 394	2,579,591.81	1,165,560.59	0.00	0.00	1,165,560.59
395.00	Laboratory Equipment	172,283.97	24,442.45	0.00	0.00	24,442.45
POWER OPERATED EQUIPMENT						
396.10	Work Equipment (Trailers)	530,575.86	271,074.35	0.00	0.00	271,074.35
396.20	Power Operated Equipment	6,142,234.08	1,077,130.72	0.00	0.00	1,077,130.72
	TOTAL Account 396	6,672,809.94	1,348,205.07	0.00	0.00	1,348,205.07
COMMUNICATION EQUIPMENT						
397.10	Radio Communication Equip. (Fixed)	226,847.00	117,179.40	0.00	0.00	117,179.40
397.20	Radio Communication Equip. (Mobile)	468,875.34	274,608.16	0.00	0.00	274,608.16
397.30	General Telephone Communication Equip.	56,947.69	24,756.98	0.00	0.00	24,756.98
397.80	Network Equipment	172,146.81	52,766.76	0.00	0.00	52,766.76
	TOTAL Account 397	924,816.84	469,311.30	0.00	0.00	469,311.30
398.00	Miscellaneous Equipment	56,850.20	(5,285.64)	0.00	0.00	(5,285.64)
	Sub-Total (General Plant) Amortization	5,179,502.08	2,754,036.52	0.00	0.00	2,754,036.52
	TOTAL General Plant	26,859,761.20	13,580,426.93	53,975.67	47,546.19	13,478,905.07
	TOTAL Depreciable Plant	251,825,093.87	147,092,391.21	46,711,075.14	(56,742.70)	100,438,058.77
NON-DEPRECIABLE PLANT						
374.1	Land (Distribution)	138,261.79	0.00			
389	Land & Land Rights (General)	1,328,891.91	0.00			
	Total Land	1,467,153.70	0.00			
INTANGIBLE PLANT						
303	Miscellaneous Intangible Plant	3,949,065.10	503,426.57			
	Total Intangible Plant	3,949,065.10	503,426.57			
	TOTAL Non-Depreciable Plant	5,416,218.80	503,426.57			
	TOTAL Plant in Service	257,241,312.67	147,595,817.78			

Table 2 - Plant Only

Montana-Dakota Utilities Company
Gas Division

**Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Depreciation Reserve and Average Remaining Lives as of December 31, 2008**

Account No.	Description	Original Cost 12/31/08	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
DEPRECIABLE PLANT											
Distribution Plant											
374.20	Rights of Way	322,677.60	0%	0.00	322,677.60	67,017.62	255,659.98	65-R3	57.2	4,469.58	1.39%
375.00	Distr. Meas & Reg Station Structures	609,311.11	0%	0.00	609,311.11	302,909.69	306,401.42	60-R3	33.0	9,284.89	1.52%
Mains											
376.10	Mains-Steel	41,975,049.45	0%	0.00	41,975,049.45	25,450,703.62	16,524,345.83	47-R4	22.3	741,002.06	1.77%
376.20	Mains-Plastic	63,935,958.79	0%	0.00	63,935,958.79	21,362,702.26	42,573,256.53	47-R4	33.4	1,274,648.40	1.99%
376.30	Mains-Valves	447,328.09	0%	0.00	447,328.09	179,521.04	267,807.05	40-R2.5	26.1	10,260.81	2.29%
376.40	Mains-Manholes	69,919.29	0%	0.00	69,919.29	38,488.02	31,431.27	47-R4	24.6	1,277.69	1.83%
376.50	Mains-Bridge & River Crossings	19,818.03	0%	0.00	19,818.03	4,203.37	15,614.66	47-R4	38.3	407.69	2.06%
	Total Mains	106,448,073.65		0.00	106,448,073.65	47,035,618.31	59,412,455.34			2,027,596.65	1.90%
378.00	Meas & Reg Station Equip-General	2,140,308.63	0%	0.00	2,140,308.63	834,740.21	1,305,568.42	40-R2	27.5	47,475.22	2.22%
379.00	Meas & Reg Station Equip-City Gate	1,028,821.89	0%	0.00	1,028,821.89	566,306.49	462,515.40	27-L0	16.0	28,907.21	2.81%
Services											
380.10	Services-Steel	7,285,187.87	0%	0.00	7,285,187.87	4,859,424.53	2,425,763.34	40-R3	13.4	181,027.11	2.48%
380.20	Services-Plastic	42,690,273.23	0%	0.00	42,690,273.23	11,786,702.82	30,903,570.41	40-R3	29.0	1,065,640.36	2.50%
380.30	Farm & Fuel Lines	248,640.18	0%	0.00	248,640.18	100,195.29	148,444.89	30-R1.5	17.9	8,293.01	3.34%
	Total Services	50,224,101.28		0.00	50,224,101.28	16,746,322.64	33,477,778.64			1,254,960.48	2.50%
381.00	Meters	55,172,050.24	0%	0.00	55,172,050.24	16,541,851.01	38,630,199.23	35-R4	24.1	1,602,912.83	2.91%
383.00	Service Regulators	5,555,207.98	0%	0.00	5,555,207.98	2,508,676.39	3,046,531.59	40-R2	25.4	119,942.19	2.16%
385.00	Industrial Meas. & Reg. Station Equipment	875,376.89	0%	0.00	875,376.89	379,759.97	495,616.92	35-R2	23.3	21,271.11	2.43%
MISCELLANEOUS EQUIPMENT											
386.10	Miscellaneous Property on Customers Premise	1,679.84	0%	0.00	1,679.84	1,474.70	205.14	15-R3	5.1	40.22	2.39%
386.20	CNG Refueling station	261,880.34	0%	0.00	261,880.34	259,586.77	2,293.57	15R-3	3.3	695.02	0.27%
386.30	CNG Lease/Demo	0.00	0%	0.00	0.00	26,496.25	-26,496.25	0	0.0	0.00	0.00%
	TOTAL Account 386	263,560.18		0.00	263,560.18	287,557.72	-23,997.54			735.24	0.28%
OTHER EQUIPMENT											
387.10	Cathodic Protection Equipment	1,737,817.71	0%	0.00	1,737,817.71	1,180,475.15	557,342.56	20-R1.5	10.0	55,734.26	3.21%
387.20	Other Distribution Equipment	588,025.51	0%	0.00	588,025.51	507,918.50	80,107.01	25-R3	13.8	5,804.86	0.99%
	TOTAL Account 387	2,325,843.22		0.00	2,325,843.22	1,688,393.65	637,449.57			61,539.11	2.65%
	TOTAL Distribution Plant	224,965,332.67		0.00	224,965,332.67	86,959,153.70	138,006,178.97			5,179,094.52	2.30%
General Plant											
390.00	General Structures	5,835,295.28	0%	0.00	5,835,295.28	1,887,186.03	3,948,109.25	31-R4	21.9	180,278.96	3.09%

Table 2 - Plant Only

Montana-Dakota Utilities Company
Gas Division

**Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Depreciation Reserve and Average Remaining Lives as of December 31, 2008**

Account No.	Description	Original Cost 12/31/08	Estimated Future Net Salvage %	Estimated Future Net Salvage Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
OFFICE FURNITURE & EQUIPMENT											
391.10	Office Furniture & Equipment	415,861.93	0%	0.00	415,861.93	179,231.41	236,630.52	15-R1	N/A	27,412.62	6.59% *
391.30	Computer Equipment - PC	828,118.21	0%	0.00	828,118.21	823,565.05	4,553.16	5-R2	N/A	93,383.50	11.28% *
391.50	Other Computer Equipment	53,696.84	0%	0.00	53,696.84	8,767.81	44,929.03	5-R2	N/A	2,667.08	4.97% *
	TOTAL Account 391	1,297,676.98		0.00	1,297,676.98	1,011,564.27	286,112.71			123,463.20	9.51%
TRANSPORTATION EQUIPMENT											
392.10	Transportation Equipment (Trailers)	397,059.69	0%	0.00	397,059.69	122,493.27	274,566.42	8-R0.5	5.6	49,029.72	12.35%
392.20	Transportation Equipment (Cars & Trucks)	8,775,094.21	0%	0.00	8,775,094.21	7,366,984.18	1,408,110.03	7-R3	3.5	0.00	0.00%
	TOTAL Account 392	9,172,153.90		0.00	9,172,153.90	7,489,477.45	1,682,676.45			49,029.72	0.53%
393.00	Stores Equipment	148,282.28	0%	0.00	148,282.28	88,443.55	59,838.73	35-R3	N/A	3,613.53	2.44% *
TOOLS, SHOP & GARAGE EQ.											
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	2,515,638.89	0%	0.00	2,515,638.89	1,124,846.96	1,390,791.93	18-R1.5	N/A	142,108.78	5.65% *
394.30	Vehicle Maintenance Equipment	37,100.02	0%	0.00	37,100.02	23,917.83	13,182.19	20-R3	N/A	2,640.27	7.12% *
394.40	Vehicle Refueling Equipment	26,852.90	0%	0.00	26,852.90	16,795.80	10,057.10	15-R3	N/A	2,772.05	10.32% *
	TOTAL Account 394	2,579,591.81		0.00	2,579,591.81	1,165,560.59	1,414,031.22			147,521.10	5.72%
395.00	Laboratory Equipment	172,283.97	0%	0.00	172,283.97	24,442.45	147,841.52	20-R2	N/A	11,980.02	6.95% *
POWER OPERATED EQUIPMENT											
396.10	Work Equipment (Trailers)	530,575.86	0%	0.00	530,575.86	271,074.35	259,501.51	10-R2	4.8	54,062.81	10.19%
396.20	Power Operated Equipment	6,142,234.08	0%	0.00	6,142,234.08	1,077,130.72	5,065,103.36	4-L1	2.6	1,948,116.68	31.72%
	TOTAL Account 396	6,672,809.94		0.00	6,672,809.94	1,348,205.07	5,324,604.87			2,002,179.49	30.01%
COMMUNICATION EQUIPMENT											
397.10	Radio Communication Equip. (Fixed)	226,847.00	0%	0.00	226,847.00	117,179.40	109,667.60	15-R3	N/A	13,763.90	6.07% *
397.20	Radio Communication Equip. (Mobile)	468,875.34	0%	0.00	468,875.34	274,608.16	194,267.18	15-R3	N/A	19,052.43	4.06% *
397.30	General Telephone Communication Equip.	56,947.69	0%	0.00	56,947.69	24,756.98	32,190.71	10-R1	N/A	6,089.15	10.69% *
397.80	Network Equipment	172,146.81	0%	0.00	172,146.81	52,766.76	119,380.05	5-R3	N/A	30,435.15	17.68% *
	TOTAL Account 397	924,816.84		0.00	924,816.84	469,311.30	455,505.54			69,340.63	7.50%
398.00	Miscellaneous Equipment	56,850.20	0%	0.00	56,850.20	(5,285.64)	62,135.84	20-R2	N/A	5,361.40	9.43% *
	Sub-Total (General Plant) Amortization	5,179,502.08		0.00	5,179,502.08	2,754,036.52	2,425,465.56			361,279.89	6.98%
	TOTAL General Plant	26,859,761.20		0.00	26,859,761.20	13,478,905.07	13,380,856.13			2,592,768.06	9.65%
	TOTAL Depreciable Plant	251,825,093.87		0.00	251,825,093.87	100,438,058.77	151,387,035.10			7,771,862.58	3.09%

Table 2 - Plant Only

Montana-Dakota Utilities Company
Gas Division

Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Deprecation Reserve and Average Remaining Lives as of December 31, 2008

Account No.	Description	Original Cost 12/31/08	Estimated Future Net Salvage %	Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Deprecation Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
NON-DEPRECIABLE PLANT											
374.1	Land (Distribution)	138,261.79									
389	Land & Land Rights (General)	1,328,891.91									
	Total Land	1,467,153.70									
INTANGIBLE PLANT											
303	Miscellaneous Intangible Plant	3,949,065.10									
	Total Intangible Plant	3,949,065.10									
	TOTAL Non-Depreciable Plant	5,416,218.80									
	TOTAL Plant in Service	257,241,312.67									

* Used Proposed Study Amortization Rates.

Table 2 - Gross Salvage

Montana-Dakota Utilities Company
Gas Division

Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Depreciation Reserve and Average Remaining Lives as of December 31, 2008

Account No.	Description	Original Cost 12/31/08	Estimated Future Net Salvage %	Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
DEPRECIABLE PLANT											
Distribution Plant											
374.20	Rights of Way	322,677.60	0%	0.00	322,677.60	0.00	0.00	65-R3	57.2	0.00	0.00%
375.00	Dist. Meas & Reg Station Structures	609,311.11	0%	0.00	609,311.11	(35,226.21)	35,226.21	60-R3	33.0	1,067.46	0.18%
Mains											
376.10	Mains-Steel	41,975,049.45	0%	0.00	41,975,049.45	643.84	(643.84)	47-R4	22.3	(28.87)	0.00%
376.20	Mains-Plastic	63,935,958.79	0%	0.00	63,935,958.79	540.42	(540.42)	47-R4	33.4	(16.18)	0.00%
376.30	Mains-Valves	447,328.09	0%	0.00	447,328.09	4.54	(4.54)	40-R2.5	26.1	(0.17)	0.00%
376.40	Mains-Manholes	69,919.29	0%	0.00	69,919.29	0.97	(0.97)	47-R4	24.6	(0.04)	0.00%
376.50	Mains-Bridge & River Crossings	19,818.03	0%	0.00	19,818.03	0.11	(0.11)	47-R4	38.3	(0.00)	0.00%
	Total Mains	106,448,073.65		0.00	106,448,073.65	1,189.88	(1,189.88)			(45.27)	0.00%
378.00	Meas & Reg Station Equip-General	2,140,308.63	0%	0.00	2,140,308.63	0.00	0.00	40-R2	27.5	0.00	0.00%
379.00	Meas & Reg Station Equip-City Gate	1,028,821.89	0%	0.00	1,028,821.89	0.00	0.00	27-L0	16.0	0.00	0.00%
Services											
380.10	Services-Steel	7,285,187.87	0%	0.00	7,285,187.87	249.91	(249.91)	40-R3	13.4	(18.65)	0.00%
380.20	Services-Plastic	42,690,273.23	0%	0.00	42,690,273.23	606.17	(606.17)	40-R3	29.0	(20.90)	0.00%
380.30	Farm & Fuel Lines	248,640.18	0%	0.00	248,640.18	5.15	(5.15)	30-R1.5	17.9	(0.29)	0.00%
	Total Services	50,224,101.28		0.00	50,224,101.28	861.24	(861.24)			(39.84)	0.00%
381.00	Meters	55,172,050.24	0%	0.00	55,172,050.24	0.00	0.00	35-R4	24.1	0.00	0.00%
383.00	Service Regulators	5,555,207.98	10%	555,520.80	4,999,687.18	0.00	(555,520.80)	40-R2	25.4	(21,870.90)	-0.39%
385.00	Industrial Meas. & Reg. Station Equipment	875,376.89	0%	0.00	875,376.89	(71,113.80)	71,113.80	35-R2	23.3	3,052.09	0.35%
MISCELLANEOUS EQUIPMENT											
386.10	Miscellaneous Property on Customers Prerr	1,679.84	0%	0.00	1,679.84	0.00	0.00	15-R3	5.1	0.00	0.00%
386.20	CNG Refueling station	261,880.34	0%	0.00	261,880.34	0.00	0.00	15R-3	3.3	0.00	0.00%
386.30	CNG Lease/Demo	0.00	0%	0.00	0.00	0.00	0.00	0.00	0.0	0.00	0.00%
	TOTAL Account 386	263,560.18		0.00	263,560.18	0.00	0.00			0.00	0.00%
OTHER EQUIPMENT											
387.10	Cathodic Protection Equipment	1,737,817.71	0%	0.00	1,737,817.71	0.00	0.00	20-R1.5	10.0	0.00	0.00%
387.20	Other Distribution Equipment	588,025.51	0%	0.00	588,025.51	0.00	0.00	25-R3	13.8	0.00	0.00%
	TOTAL Account 387	2,325,843.22		0.00	2,325,843.22	0.00	0.00			0.00	0.00%
	TOTAL Distribution Plant	224,965,332.67		555,520.80	224,409,811.87	(104,288.89)	(451,231.91)			(17,836.45)	-0.01%

Table 2 - Gross Salvage

Montana-Dakota Utilities Company
Gas Division

**Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Depreciation Reserve and Average Remaining Lives as of December 31, 2008**

Account No.	Description	Original Cost	Estimated Future Net Salvage		Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
		12/31/08	%	Amount	(f)	(g)	(h)	(i)	(j)	(k)	(l)
General Plant											
390.00	General Structures	5,835,295.28	0%	0.00	5,835,295.28	47,546.19	(47,546.19)	31-R4	21.9	(2,171.06)	-0.04%
OFFICE FURNITURE & EQUIPMENT											
391.10	Office Furniture & Equipment	415,861.93	0%	0.00	415,861.93	0.00	0.00	15-R1	N/A	0.00	0.00% *
391.30	Computer Equipment - PC	828,118.21	0%	0.00	828,118.21	0.00	0.00	5-R2	N/A	0.00	0.00% *
391.50	Other Computer Equipment	53,696.84	0%	0.00	53,696.84	0.00	0.00	5-R2	N/A	0.00	0.00% *
	TOTAL Account 391	1,297,676.98		0.00	1,297,676.98	0.00	0.00			0.00	0.00%
TRANSPORTATION EQUIPMENT											
392.10	Transportation Equipment (Trailers)	397,059.69	15%	59,558.95	337,500.74	0.00	(59,558.95)	8-R0.5	5.6	(10,635.53)	-2.68%
392.20	Transportation Equipment (Cars & Trucks)	8,775,094.21	20%	1,755,018.84	7,020,075.37	0.00	(1,755,018.84)	7-R3	3.5	0.00	0.00%
	TOTAL Account 392	9,172,153.90		1,814,577.79	7,357,576.11	0.00	(1,814,577.79)			(10,635.53)	-0.12%
393.00	Stores Equipment	148,282.28	0%	0.00	148,282.28	0.00	0.00	35-R3	N/A	0.00	0.00% *
TOOLS, SHOP & GARAGE EQ.											
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	2,515,638.89	0%	0.00	2,515,638.89	0.00	0.00	18-R1.5	N/A	0.00	0.00% *
394.30	Vehicle Maintenance Equipment	37,100.02	0%	0.00	37,100.02	0.00	0.00	20-R3	N/A	0.00	0.00% *
394.40	Vehicle Refueling Equipment	26,852.90	0%	0.00	26,852.90	0.00	0.00	15-R3	N/A	0.00	0.00% *
	TOTAL Account 394	2,579,591.81		0.00	2,579,591.81	0.00	0.00			0.00	0.00%
395.00	Laboratory Equipment	172,283.97	0%	0.00	172,283.97	0.00	0.00	20-R2	N/A	0.00	0.00% *
POWER OPERATED EQUIPMENT											
396.10	Work Equipment (Trailers)	530,575.86	20%	106,115.17	424,460.69	0.00	(106,115.17)	10-R2	4.8	(22,107.33)	-4.17%
396.20	Power Operated Equipment	6,142,234.08	80%	4,913,787.26	1,228,446.82	0.00	(4,913,787.26)	4-L1	2.6	(1,889,918.18)	-30.77%
	TOTAL Account 396	6,672,809.94		5,019,902.43	1,652,907.51	0.00	(5,019,902.43)			(1,912,025.50)	-28.65%
COMMUNICATION EQUIPMENT											
397.10	Radio Communication Equip. (Fixed)	226,847.00	0%	0.00	226,847.00	0.00	0.00	15-R3	N/A	0.00	0.00% *
397.20	Radio Communication Equip. (Mobile)	468,875.34	0%	0.00	468,875.34	0.00	0.00	15-R3	N/A	0.00	0.00% *
397.30	General Telephone Communication Equip.	56,947.69	0%	0.00	56,947.69	0.00	0.00	10-R1	N/A	0.00	0.00% *
397.80	Network Equipment	172,146.81	0%	0.00	172,146.81	0.00	0.00	5-R3	N/A	0.00	0.00% *
	TOTAL Account 397	924,816.84		0.00	924,816.84	0.00	0.00			0.00	0.00%
398.00	Miscellaneous Equipment	56,850.20	0%	0.00	56,850.20	0.00	0.00	20-R2	N/A	0.00	0.00% *
	Sub-Total (General Plant) Amortization	5,179,502.08		0.00	5,179,502.08	0.00	0.00			0.00	0.00%
	TOTAL General Plant	26,859,761.20		6,834,480.22	20,025,280.98	47,546.19	(6,882,026.41)			(1,924,832.09)	-7.17%
	TOTAL Depreciable Plant	251,825,093.87		7,390,001.02	244,435,092.85	(56,742.70)	(7,333,258.32)			(1,942,668.54)	-0.77%

Table 2 - Gross Salvage

Montana-Dakota Utilities Company
Gas Division

Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Deprecation Reserve and Average Remaining Lives as of December 31, 2008

Account No.	Description	Original Cost 12/31/08	Estimated Future Net Salvage		Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Deprecation Rate
(a)	(b)	(c)	%	Amount	(f)	(g)	(h)	(i)	(j)	(k)	(l)
NON-DEPRECIABLE PLANT											
374.1	Land (Distribution)	138,261.79									
389	Land & Land Rights (General)	1,328,891.91									
	Total Land	1,467,153.70									
INTANGIBLE PLANT											
303	Miscellaneous Intangible Plant	3,949,065.10									
	Total Intangible Plant	3,949,065.10									
	TOTAL Non-Depreciable Plant	5,416,218.80									
	TOTAL Plant in Service	257,241,312.67									

* Used Proposed Study Amortization Rates.

Table 2 - COR

Montana-Dakota Utilities Company
Gas Division

**Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Depreciation Reserve and Average Remaining Lives as of December 31, 2008**

Account No.	Description	Original Cost 12/31/08	Estimated Future Net Salvage %	Amount	Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
DEPRECIABLE PLANT											
Distribution Plant											
374.20	Rights of Way	322,677.60	0%	0.00	322,677.60	0.00	0.00	65-R3	57.2	0.00	0.00%
375.00	Distr. Meas & Reg Station Structures	609,311.11	-50%	(304,655.56)	913,966.67	88,819.63	215,835.93	60-R3	33.0	6,540.48	1.07%
Mains											
376.10	Mains-Steel	41,975,049.45	-50%	(20,987,524.73)	62,962,574.18	11,014,795.39	9,972,729.34	47-R4	22.3	447,207.59	1.07%
376.20	Mains-Plastic	63,935,958.79	-50%	(31,967,979.40)	95,903,938.19	9,245,551.63	22,722,427.77	47-R4	33.4	680,312.21	1.06%
376.30	Mains-Valves	447,328.09	-50%	(223,664.05)	670,992.14	77,694.81	145,969.24	40-R2.5	26.1	5,592.69	1.25%
376.40	Mains-Manholes	69,919.29	-50%	(34,959.65)	104,878.94	16,657.21	18,302.44	47-R4	24.6	744.00	1.06%
376.50	Mains-Bridge & River Crossings	19,818.03	-50%	(9,909.02)	29,727.05	1,819.18	8,089.84	47-R4	38.3	211.22	1.07%
	Total Mains	106,448,073.65		(53,224,036.85)	159,672,110.50	20,356,518.22	32,867,518.63			1,134,067.72	1.07%
378.00	Meas & Reg Station Equip-General	2,140,308.63	-30%	(642,092.59)	2,782,401.22	99,663.22	542,429.37	40-R2	27.5	19,724.70	0.92%
379.00	Meas & Reg Station Equip-City Gate	1,028,821.89	-15%	(154,323.28)	1,183,145.17	0.00	154,323.28	27-L0	16.0	9,645.21	0.94%
Services											
380.10	Services-Steel	7,285,187.87	-200%	(14,570,375.74)	21,855,563.61	7,570,293.69	7,000,082.05	40-R3	13.4	522,394.18	7.17%
380.20	Services-Plastic	42,690,273.23	-200%	(85,380,546.46)	128,070,819.69	18,362,010.04	67,018,536.42	40-R3	29.0	2,310,984.01	5.41%
380.30	Farm & Fuel Lines	248,640.18	-200%	(497,280.36)	745,920.54	156,090.04	341,190.32	30-R1.5	17.9	19,060.91	7.67%
	Total Services	50,224,101.28		(100,448,202.56)	150,672,303.84	26,088,393.78	74,359,808.78			2,852,439.11	5.68%
381.00	Meters	55,172,050.24	-15%	(8,275,807.54)	63,447,857.78	0.00	8,275,807.54	35-R4	24.1	343,394.50	0.62%
383.00	Service Regulators	5,555,207.98	0%	0.00	5,555,207.98	0.00	0.00	40-R2	25.4	0.00	0.00%
385.00	Industrial Meas. & Reg. Station Equipment	875,376.89	-15%	(131,306.53)	1,006,683.42	23,704.62	107,601.91	35-R2	23.3	4,618.11	0.53%
MISCELLANEOUS EQUIPMENT											
386.10	Miscellaneous Property on Customers Premise	1,679.84	0%	0.00	1,679.84	0.00	0.00	15-R3	5.1	0.00	0.00%
386.20	CNG Refueling station	261,880.34	0%	0.00	261,880.34	0.00	0.00	15R-3	3.3	0.00	0.00%
386.30	CNG Lease/Demo	0.00	0%	0.00	0.00	0.00	0.00		0.0	0.00	0.00%
	TOTAL Account 386	263,560.18		0.00	263,560.18	0.00	0.00			0.00	0.00%
OTHER EQUIPMENT											
387.10	Cathodic Protection Equipment	1,737,817.71	0%	0.00	1,737,817.71	0.00	0.00	20-R1.5	10.0	0.00	0.00%
387.20	Other Distribution Equipment	588,025.51	0%	0.00	588,025.51	0.00	0.00	25-R3	13.8	0.00	0.00%
	TOTAL Account 387	2,325,843.22		0.00	2,325,843.22	0.00	0.00			0.00	0.00%
	TOTAL Distribution Plant	224,965,332.67		(163,180,424.91)	388,145,757.58	46,657,099.47	116,523,325.44			4,370,429.83	1.94%
General Plant											
390.00	General Structures	5,835,295.28	-10%	(583,529.53)	6,418,824.81	53,975.67	529,553.86	31-R4	21.9	24,180.54	0.41%

Montana-Dakota Utilities Company
Gas Division

**Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Depreciation Reserve and Average Remaining Lives as of December 31, 2008**

Account No.	Description	Original Cost	Estimated Future Net Salvage		Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
		12/31/08	%	Amount	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
OFFICE FURNITURE & EQUIPMENT											
391.10	Office Furniture & Equipment	415,861.93	0%	0.00	415,861.93	0.00	0.00	15-R1	N/A	0.00	0.00%
391.30	Computer Equipment - PC	828,118.21	0%	0.00	828,118.21	0.00	0.00	5-R2	N/A	0.00	0.00%
391.50	Other Computer Equipment	53,696.84	0%	0.00	53,696.84	0.00	0.00	5-R2	N/A	0.00	0.00%
	TOTAL Account 391	1,297,676.98		0.00	1,297,676.98	0.00	0.00			0.00	0.00%
TRANSPORTATION EQUIPMENT											
392.10	Transportation Equipment (Trailers)	397,059.69	0%	0.00	397,059.69	0.00	0.00	8-R0.5	5.6	0.00	0.00%
392.20	Transportation Equipment (Cars & Trucks)	8,775,094.21	0%	0.00	8,775,094.21	0.00	0.00	7-R3	3.5	0.00	0.00%
	TOTAL Account 392	9,172,153.90		0.00	9,172,153.90	0.00	0.00			0.00	0.00%
393.00	Stores Equipment	148,282.28	0%	0.00	148,282.28	0.00	0.00	35-R3	N/A	0.00	0.00%
TOOLS, SHOP & GARAGE EQ.											
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	2,515,638.89	0%	0.00	2,515,638.89	0.00	0.00	18-R1.5	N/A	0.00	0.00%
394.30	Vehicle Maintenance Equipment	37,100.02	0%	0.00	37,100.02	0.00	0.00	20-R3	N/A	0.00	0.00%
394.40	Vehicle Refueling Equipment	26,852.90	0%	0.00	26,852.90	0.00	0.00	15-R3	N/A	0.00	0.00%
	TOTAL Account 394	2,579,591.81		0.00	2,727,874.09	0.00	0.00			0.00	0.00%
395.00	Laboratory Equipment	172,283.97	0%	0.00	172,283.97	0.00	0.00	20-R2	N/A	0.00	0.00%
POWER OPERATED EQUIPMENT											
396.10	Work Equipment (Trailers)	530,575.86	0%	0.00	530,575.86	0.00	0.00	10-R2	4.8	0.00	0.00%
396.20	Power Operated Equipment	6,142,234.08	0%	0.00	6,142,234.08	0.00	0.00	4-L1	2.6	0.00	0.00%
	TOTAL Account 396	6,672,809.94		0.00	6,672,809.94	0.00	0.00			0.00	0.00%
COMMUNICATION EQUIPMENT											
397.10	Radio Communication Equip. (Fixed)	226,847.00	0%	0.00	226,847.00	0.00	0.00	15-R3	N/A	0.00	0.00%
397.20	Radio Communication Equip. (Mobile)	468,875.34	0%	0.00	468,875.34	0.00	0.00	15-R3	N/A	0.00	0.00%
397.30	General Telephone Communication Equip.	56,947.69	0%	0.00	56,947.69	0.00	0.00	10-R1	N/A	0.00	0.00%
397.80	Network Equipment	172,146.81	0%	0.00	172,146.81	0.00	0.00	5-R3	N/A	0.00	0.00%
	TOTAL Account 397	924,816.84		0.00	924,816.84	0.00	0.00			0.00	0.00%
398.00	Miscellaneous Equipment	56,850.20	0%	0.00	56,850.20	0.00	0.00	20-R2	N/A	0.00	0.00%
	Sub-Total (General Plant) Amortization	5,179,502.08		0.00	5,327,784.36	0.00	0.00			0.00	0.00%
	TOTAL General Plant	26,859,761.20		(583,529.53)	27,443,290.73	53,975.67	529,553.86			24,180.54	0.09%
	TOTAL Depreciable Plant	251,825,093.87		(163,763,954.44)	415,589,048.31	46,711,075.14	117,052,879.30			4,394,610.37	1.75%

Montana-Dakota Utilities Company
Gas Division

**Summary of Original Cost of Utility Plant in Service and Calculation of
Annual Depreciation Rates and Depreciation Expense Based Upon Utilization of
Book Deprecation Reserve and Average Remaining Lives as of December 31, 2008**

Account No.	Description	Original Cost	Estimated Future Net Salvage		Original Cost Less Salvage	Book Depreciation Reserve	Net Original Cost Less Salvage	A.S.L./ Survivor Curve	Average Remaining Life	Annual Depreciation Accrual	Annual Depreciation Rate
		12/31/08	%	Amount	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
NON-DEPRECIABLE PLANT											
374.1	Land (Distribution)	138,261.79									
389	Land & Land Rights (General)	1,328,891.91									
	Total Land	1,467,153.70									
INTANGIBLE PLANT											
303	Miscellaneous Intangible Plant	3,949,065.10									
	Total Intangible Plant	3,949,065.10									
	TOTAL Non-Depreciable Plant	5,416,218.80									
	TOTAL Plant in Service	257,241,312.67									

**Montana-Dakota Utilities Company
Gas Division**

**Original Cost Per Company Books, Adjustments, And
Original Cost Per Depreciation Study of December 31, 2008**

Account No. (a)	Description (b)	Original Cost Per Co. Books 12/31/08 (c)	(Pending) Retirements (d)	Company Pending Adjustments (e)	Original Cost Per Depr Study Data 12/31/08 (e)
<u>DEPRECIABLE PLANT</u>					
Distribution Plant					
374.20	Rights of Way	322,677.60			322,677.60
375.00	Distr. Meas & Reg Station Structures	609,311.11			609,311.11
Mains					
376.10	Mains-Steel	41,975,049.45			41,975,049.45
376.20	Mains-Plastic	63,935,958.79			63,935,958.79
376.30	Mains-Valves	447,328.09			447,328.09
376.40	Mains-Manholes	69,919.29			69,919.29
376.50	Mains-Bridge & River Crossings	19,818.03			19,818.03
	Total Mains	106,448,073.65	0.00	0.00	106,448,073.65
378.00	Meas & Reg Station Equip-General	2,140,308.63			2,140,308.63
379.00	Meas & Reg Station Equip-City Gate	1,028,821.89			1,028,821.89
Services					
380.10	Services-Steel	7,285,187.87			7,285,187.87
380.20	Services-Plastic	42,690,273.23			42,690,273.23
380.30	Farm & Fuel Lines	248,640.18			248,640.18
	Total Services	50,224,101.28	0.00	0.00	50,224,101.28
381.00	Meters	55,172,050.24			55,172,050.24
383.00	Service Regulators	5,555,207.98			5,555,207.98
385.00	Industrial Meas. & Reg. Station Equipment	875,376.89			875,376.89
MISCELLANEOUS EQUIPMENT					
386.10	Miscellaneous Property on Customers Premis	1,679.84			1,679.84
386.20	CNG Refueling station	261,880.34			261,880.34
386.30		0.00			0.00
	TOTAL Account 386	263,560.18	0.00	0.00	263,560.18
OTHER EQUIPMENT					
387.10	Cathodic Protection Equipment	1,737,817.71			1,737,817.71
387.20	Other Distribution Equipment	588,025.51			588,025.51
	TOTAL Account 387	2,325,843.22	0.00	0.00	2,325,843.22
	TOTAL Distribution Plant	224,965,332.67	0.00	0.00	224,965,332.67
General Plant					
390.00	General Structures	5,835,295.28			5,835,295.28
OFFICE FURNITURE & EQUIPMENT					
391.10	Office Furniture & Equipment	415,861.93			415,861.93
391.30	Computer Equipment - PC	828,118.21			828,118.21
391.50	Other Computer Equipment	53,696.84			53,696.84
	TOTAL Account 391	1,297,676.98	0.00	0.00	1,297,676.98
TRANSPORTATION EQUIPMENT					
392.10	Transportation Equipment (Trailers)	397,059.69			397,059.69
392.20	Transportation Equipment (Cars & Trucks)	8,775,094.21			8,775,094.21
	TOTAL Account 392	9,172,153.90	0.00	0.00	9,172,153.90
393.00	Stores Equipment	148,282.28			148,282.28

**Montana-Dakota Utilities Company
Gas Division**

**Original Cost Per Company Books, Adjustments, And
Original Cost Per Depreciation Study of December 31, 2008**

Account <u>No.</u> (a)	<u>Description</u> (b)	Original Cost Per Co. Books 12/31/08 (c)	(Pending) Retirements (d)	Company Pending Adjustments (e)	Original Cost Per Depr Study Data 12/31/08 (e)
	TOOLS, SHOP & GARAGE EQ.				
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	2,515,638.89			2,515,638.89
394.30	Vehicle Maintenance Equipment	37,100.02			37,100.02
394.40	Vehicle Refueling Equipment	26,852.90			26,852.90
	TOTAL Account 394	2,579,591.81	-	-	2,579,591.81
395.00	Laboratory Equipment	172,283.97			172,283.97
	POWER OPERATED EQUIPMENT				
396.10	Work Equipment (Trailers)	530,575.86			530,575.86
396.20	Power Operated Equipment	6,142,234.08			6,142,234.08
	TOTAL Account 396	6,672,809.94	0.00	0.00	6,672,809.94
	<u>COMMUNICATION EQUIPMENT</u>				
397.10	Radio Communication Equip. (Fixed)	226,847.00			226,847.00
397.20	Radio Communication Equip. (Mobile)	468,875.34			468,875.34
397.30	General Telephone Communication Equip.	56,947.69			56,947.69
397.80	Network Equipment	172,146.81			172,146.81
	TOTAL Account 397	924,816.84	0.00	0.00	924,816.84
398.00	Miscellaneous Equipment	56,850.20			56,850.20
	Sub-Total (General Plant) Amortization	5,179,502.08	0.00	0.00	5,179,502.08
	TOTAL General Plant	26,859,761.20	0.00	0.00	26,859,761.20
	TOTAL Depreciable Plant	251,825,093.87	0.00	0.00	251,825,093.87
	<u>NON-DEPRECIABLE PLANT</u>				
374.10	Land (Distribution)	\$138,261.79			138,261.79
389.00	Land & Land Rights (General)	\$1,328,891.91			1,328,891.91
	Total Land	1,467,153.70	0.00	0.00	1,467,153.70
	INTANGIBLE PLANT				
303.00	Miscellaneous Intangible Plant	\$3,949,065.10			3,949,065.10
	Total Intangible Plant	3,949,065.10	0.00	0.00	3,949,065.10
	TOTAL Non-Depreciable Plant	5,416,218.80	0.00	0.00	5,416,218.80
	TOTAL Plant in Service	257,241,312.67	0.00	0.00	257,241,312.67
388.00	ARO	115,629.38			
	Total Including ARO	257,356,942.05			

Table 4

**Montana-Dakota Utilities Company
Gas Division**

**Summary of Book Depreciation Reserves Relative To Original Cost of Utility Plant in Service,
Adjustments, And Depreciation Reserves Per Depreciation Study as of December 31, 2008**

<u>Account No.</u>	<u>Description</u> (b)	<u>Depr Reserve Per Books 12/31/08</u> (c)	<u>(Pending) Retirements</u> (d)	<u>Depr Reserve Per Depr Study 12/31/08</u> (e)
<u>DEPRECIABLE PLANT</u>				
Distribution Plant				
374.20	Rights of Way	67,017.62		67,017.62
375.00	Distr. Meas & Reg Station Structures	356,503.11		356,503.11
Mains				
376.10	Mains-Steel	67,393,326.41		36,466,142.85
376.20	Mains-Plastic	0.00		30,608,794.32
376.30	Mains-Valves	0.00		257,220.39
376.40	Mains-Manholes	0.00		55,146.20
376.50	Mains-Bridge & River Crossings	0.00		6,022.66
	Total Mains	67,393,326.41	0.00	67,393,326.41
378.00	Meas & Reg Station Equip-General	934,403.43		934,403.43
379.00	Meas & Reg Station Equip-City Gate	566,306.49		566,306.49
Services				
380.10	Services-Steel	42,835,577.66		12,429,968.14
380.20	Services-Plastic	0.00		30,149,319.03
380.30	Farm & Fuel Lines	0.00		256,290.49
	Total Services	42,835,577.66	0.00	42,835,577.66
381.00	Meters	16,541,851.01		16,541,851.01
383.00	Service Regulators	2,508,676.39		2,508,676.39
385.00	Industrial Meas. & Reg. Station Equipment	332,350.79		332,350.79
MISCELLANEOUS EQUIPMENT				
386.10	Miscellaneous Property on Customers Premise	1,474.70		1,474.70
386.20	CNG Refueling station	259,586.77		259,586.77
386.30	CNG Lease/Demo	26,496.25		26,496.25
	TOTAL Account 386	287,557.72	0.00	287,557.72
OTHER EQUIPMENT				
387.10	Cathodic Protection Equipment	1,180,475.15		1,180,475.15
387.20	Other Distribution Equipment	507,918.50		507,918.50
	TOTAL Account 387	1,688,393.65	0.00	1,688,393.65
	TOTAL Distribution Plant	133,511,964.28	0.00	133,511,964.28
General Plant				
390.00	General Structures	1,988,707.89		1,988,707.89
OFFICE FURNITURE & EQUIPMENT				
391.10	Office Furniture & Equipment	179,231.41		179,231.41
391.30	Computer Equipment - PC	823,565.05		823,565.05
391.50	Other Computer Equipment	8,767.81		8,767.81
	TOTAL Account 391	1,002,796.46	0.00	1,002,796.46
TRANSPORTATION EQUIPMENT				
392.10	Transportation Equipment (Trailers)	122,493.27		122,493.27
392.20	Transportation Equipment (Cars & Trucks)	7,366,984.18		7,366,984.18
	TOTAL Account 392	7,489,477.45	0.00	7,489,477.45
393.00	Stores Equipment	88,443.55		88,443.55

**Montana-Dakota Utilities Company
Gas Division**

**Summary of Book Depreciation Reserves Relative To Original Cost of Utility Plant in Service,
Adjustments, And Depreciation Reserves Per Depreciation Study as of December 31, 2008**

Account No.	Description (b)	Depr Reserve Per Books 12/31/08 (c)	(Pending) Retirements (d)	Depr Reserve Per Depr Study 12/31/08 (e)
	TOOLS, SHOP & GARAGE EQ.			
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	1,124,846.96		1,124,846.96
394.30	Vehicle Maintenance Equipment	23,917.83		23,917.83
394.40	Vehicle Refueling Equipment	16,795.80		16,795.80
	TOTAL Account 394	1,165,560.59	0.00	1,165,560.59
395.00	Laboratory Equipment	24,442.45		24,442.45
	POWER OPERATED EQUIPMENT			
396.10	Work Equipment (Trailers)	271,074.35		271,074.35
396.20	Power Operated Equipment	1,077,130.72		1,077,130.72
	TOTAL Account 396	1,348,205.07	0.00	1,348,205.07
	COMMUNICATION EQUIPMENT			
397.10	Radio Communication Equip. (Fixed)	117,179.40		117,179.40
397.20	Radio Communication Equip. (Mobile)	274,608.16		274,608.16
397.30	General Telephone Communication Equip.	24,756.98		24,756.98
397.80	Network Equipment	52,766.76		52,766.76
	TOTAL Account 397	469,311.30	0.00	469,311.30
398.00	Miscellaneous Equipment	(5,285.64)		(5,285.64)
	Sub-Total (General Plant) Amortization	2,754,036.52		2,754,036.52
	TOTAL General Plant	13,580,426.93	0.00	13,580,426.93
	TOTAL Depreciable Plant	147,092,391.21	0.00	147,092,391.21
	NON-DEPRECIABLE PLANT			
374.10	Land (Distribution)	0.00		0.00
389.00	Land & Land Rights (General)	0.00		0.00
	Total Land	0.00		0.00
	INTANGIBLE PLANT			
303.00	Miscellaneous Intangible Plant	503,426.57		503,426.57
	Total Intangible Plant	503,426.57		503,426.57
	TOTAL Non-Depreciable Plant	503,426.57	0.00	503,426.57
	TOTAL Plant in Service	147,595,817.78	0.00	147,595,817.78
388.00	ARO	59,099.88		
	Total Including ARO	147,654,917.66		

**Montana-Dakota Utilities Company
Gas Division**

**Summary of Original Cost of Utility Plant in Service as of December 31, 2008 and
Present and Proposed Parameters**

Account No.	Description	Original Cost 12/31/08	Present Parameters						Proposed Parameters					
			Net Salvage		Gross	A.S.L./	Present	Average	Net Salvage		Gross	A.S.L./	Average	
			W/ COR	W/O COR	COR	Survivor	Depr	Remaining	W/ COR	W/O COR	COR	Survivor	Remaining	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(o)	(p)	
<u>DEPRECIABLE PLANT</u>														
Distribution Plant														
374.20	Rights of Way	322,677.60	0.0%	0%	0%	65-R2.5	0.75%	49.3	0%	0%	0%	65-R3	57.2	
375.00	Distr. Meas & Reg Station Structures	609,311.11	-50.0%	0%	-50%	55-R2.5	2.57%	29.9	-50%	0%	-50%	60-R3	33.0	
Mains														
376.10	Mains-Steel	41,975,049.45	-60.0%	0%	-60%	45-R3	1.92%	21.4	-50%	0%	-50%	47-R4	22.3	
376.20	Mains-Plastic	63,935,958.79	-60.0%	0%	-60%	45-R3	1.92%	33.7	-50%	0%	-50%	47-R4	33.4	
376.30	Mains-Valves	447,328.09	-60.0%	0%	-60%	40-R2.5	1.92%	30.4	-50%	0%	-50%	40-R2.5	26.1	
376.40	Mains-Manholes	69,919.29	-60.0%	0%	-60%	45-R3	1.92%	29.9	-50%	0%	-50%	47-R4	24.6	
376.50	Mains-Bridge & River Crossings	19,818.03	-60.0%	0%	-60%	45-R3	1.92%	3.1	-50%	0%	-50%	47-R4	38.3	
	Total Mains	106,448,073.65												
378.00	Meas & Reg Station Equip-General	2,140,308.63	-30.0%	0%	-30%	40-R1	2.96%	23.3	-30%	0%	-30%	40-R2	27.5	
379.00	Meas & Reg Station Equip-City Gate	1,028,821.89	-15.0%	0%	-15%	35-R2.5	3.54%	18.9	-15%	0%	-15%	27-L0	16.0	
Services														
380.10	Services-Steel	7,285,187.87	-175.0%	0%	-175%	40-R2.5	5.66%	18.8	-200%	0%	-200%	40-R3	13.4	
380.20	Services-Plastic	42,690,273.23	-175.0%	0%	-175%	40-R3	5.66%	29.0	-200%	0%	-200%	40-R3	29.0	
380.30	Farm & Fuel Lines	248,640.18	-175.0%	0%	-175%	30-R1.5	5.66%	20.6	-200%	0%	-200%	30-R1.5	17.9	
	Total Services	50,224,101.28												
381.00	Meters	55,172,050.24	0.0%	0%	0%	35-R2.5	3.19%	19.9	-15%	0%	-15%	35-R4	24.1	
383.00	House Regulators	5,555,207.98	10.0%	10%	0%	35-R3	2.59%	18.0	10%	10%	0%	40-R2	25.4	
385.00	Industrial Meas. & Reg. Station Equipment	875,376.89	-15.0%	0%	-15%	35-R2	3.04%	20.6	-15%	0%	-15%	35-R2	23.3	
MISCELLANEOUS EQUIPMENT														
386.10	Miscellaneous Property on Customers Premise	1,679.84	0.0%	0%	0%	15-R3	5.19%	10.7	0%	0%	0%	15-R3	5.1	
386.20	CNG Refueling station	261,880.34	0.0%	0%	0%	15R-3	3.70%	8.1	0%	0%	0%	15R-3	3.3	
386.30	CNG Lease/Demo	0.00												
	TOTAL Account 386	263,560.18												
OTHER EQUIPMENT														
387.10	Cathodic Protection Equipment	1,737,817.71	0.0%	0%	0%	20-R1.5	5.75%	10.1	0%	0%	0%	20-R1.5	10.0	
387.20	Other Distribution Equipment	588,025.51	0.0%	0%	0%	25-R3	1.42%	17.8	0%	0%	0%	25-R3	13.8	
	TOTAL Account 387	2,325,843.22												
	TOTAL Distribution Plant	224,965,332.67												

Montana-Dakota Utilities Company
Gas Division

Summary of Original Cost of Utility Plant in Service as of December 31, 2008 and Present and Proposed Parameters

Account No.	Description	Original Cost 12/31/08	Present Parameters						Proposed Parameters					
			Net Salvage		Gross COR	A.S.L./ Survivor Curve	Present Depr Rate-%	Average Remaining Life	Net Salvage		Gross COR	A.S.L./ Survivor Curve	Average Remaining Life	
			W/ COR %	W/O COR %					W/ COR %	W/O COR %				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(o)	(p)	
General Plant														
390.00	General Structures	5,835,295.28	-10.0%	0%	-10%	35-R3	3.73%	11.3	-10%	0%	-10%	31-R4	21.9	
OFFICE FURNITURE & EQUIPMENT														
391.10	Office Furniture & Equipment	415,861.93	5.0%	5%	0% (2)	15	4.97%	N/A	0%	0%	0%	15-R1	N/A	
391.30	Computer Equipment - PC	828,118.21	0.0%	0%	0%	5-R2	26.02%	2.4	0%	0%	0%	5-R2	N/A	
391.50	Other Computer Equipment	53,696.84				N/A	0.0	N/A	0%	0%	0%	5-R2	N/A	
	TOTAL Account 391	1,297,676.98												
TRANSPORTATION EQUIPMENT														
392.10	Transportation Equipment (Trailers)	397,059.69	15.0%	15%	0%	8-R3	4.36%	5.3	15%	15%	0%	8-R0.5	5.6	
392.20	Transportation Equipment (Cars & Trucks)	8,775,094.21	15.0%	15%	0%	6-R3	21.13%	2.3	20%	20%	0%	7-R3	3.5	
	TOTAL Account 392	9,172,153.90												
393.00	Stores Equipment	148,282.28	0.0%	0%	0% (2)	35	2.49%	N/A	0%	0%	0%	35-R3	N/A	
TOOLS, SHOP & GARAGE EQ.														
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	2,515,638.89	10.0%	10%	0% (2)	18	6.62%	N/A	0%	0%	0%	18-R1.5	N/A	
394.30	Vehicle Maintenance Equipment	37,100.02	0.0%	0%	0% (2)	20	5.78%	N/A	0%	0%	0%	20-R3	N/A	
394.40	Vehicle Refueling Equipment	26,852.90	0.0%	0%	0% (2)	15	4.72%	N/A	0%	0%	0%	15-R3	N/A	
	TOTAL Account 394	2,579,591.81												
395.00	Laboratory Equipment	172,283.97	0.0%	0%	0% (2)	20	7.67%	N/A	0%	0%	0%	20-R2	N/A	
POWER OPERATED EQUIPMENT														
396.10	Work Equipment (Trailers)	530,575.86	35.0%	35%	0%	10-R2	5.76%	5.9	20%	20%	0%	10-R2	4.8	
396.20	Power Operated Equipment	6,142,234.08	60.0%	60%	0%	7-R2	0.00%	3.2	80%	80%	0%	4-L1	2.6	
	TOTAL Account 396	6,672,809.94												
COMMUNICATION EQUIPMENT														
397.10	Radio Communication Equip. (Fixed)	226,847.00	0.0%	0%	0% (2)	15	7.37%	N/A	0%	0%	0%	15-R3	N/A	
397.20	Radio Communication Equip. (Mobile)	468,875.34	0.0%	0%	0% (2)	15	7.34%	N/A	0%	0%	0%	15-R3	N/A	
397.30	General Telephone Communication Equip.	56,947.69	0.0%	0%	0% (2)	10	9.88%	N/A	0%	0%	0%	10-R1	N/A	
397.80	Network Equipment	172,146.81	0.0%	0%	0% (2)	5	26.26%	N/A	0%	0%	0%	5-R3	N/A	
	TOTAL Account 397	924,816.84												

**Montana-Dakota Utilities Company
Gas Division**

**Summary of Original Cost of Utility Plant in Service as of December 31, 2008 and
Present and Proposed Parameters**

Account No.	Description	Original Cost 12/31/08 (c)	Present Parameters						Proposed Parameters				
			Net Salvage		Gross	A.S.L./	Present	Average	Net Salvage		Gross	A.S.L./	Average
			W/ COR	W/O COR	COR	Survivor	Depr	Remaining	W/ COR	W/O COR	COR	Survivor	Remaining
(a)	(b)	(c)	% (d)	% (e)	% (f)	Curve (g)	Rate-% (h)	Life (i)	% (j)	% (k)	% (l)	Curve (o)	Life (p)
398.00	Miscellaneous Equipment	56,850.20	0.0%	0%	0% (2)	20	1.27%	N/A	0%	0%	0%	20-R2	N/A
	Sub-Total (General Plant) Amortization	5,179,502.08											
	TOTAL General Plant	26,859,761.20											
	TOTAL Depreciable Plant	251,825,093.87											
	NON-DEPRECIABLE PLANT												
374.1	Land (Distribution)	138,261.79											
389	Land & Land Rights (General)	1,328,891.91											
	Total Land	1,467,153.70											
	INTANGIBLE PLANT												
303	Miscellaneous Intangible Plant	3,949,065.10											
	Total Intangible Plant	3,949,065.10											
	TOTAL Non-Depreciable Plant	5,416,218.80											
	TOTAL Plant in Service	257,241,312.67											

(1) Life Span Method Utilized. Interim Retirement Rate. Service Lives Vary.
(2) General Plant Amortization

Montana-Dakota Utilities Company
Gas Division

**Summary of Original Cost of Utility Plant in Service as of December 31, 2008
and Related Annual Depreciation/Amortization Expense
Under Present Rates and Proposed Amortization**

Account No.	Description	Original Cost 12/31/08	Present Rates		Proposed Amortization		Net Change Depr/Amort Expense
			Rate %	Annual Accrual	Rate %	Annual Accrual	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<u>DEPRECIABLE PLANT</u>							
<u>General Plant</u>							
<u>GENERAL STRUCTURES</u>							
OFFICE FURNITURE & EQUIPMENT							
391.10	Office Furniture & Equipment	415,861.93	4.97%	20,668.34	6.59%	27,412.62	6,744.28
391.30	Computer Equipment - PC	828,118.21	26.02%	215,476.36	11.28%	93,383.50	-122,092.86
391.50	Other Computer Equipment	53,696.84	0.00%	0.00	4.97%	2,667.08	2,667.08
	TOTAL Account 391.10, 391.30 & 391.5	1,297,676.98	18.20%	236,144.70	9.51%	123,463.20	-112,681.50
393.00	Stores Equipment	148,282.28	2.49%	3,692.23	2.44%	3,613.53	-78.70
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	2,515,638.89	6.62%	166,535.29	5.65%	142,108.78	-24,426.51
394.30	Vehicle Maintenance Equipment	37,100.02	5.78%	2,144.38	7.12%	2,640.27	495.89
394.40	Vehicle Refueling Equipment	26,852.90	4.72%	1,267.46	10.32%	2,772.05	1,504.59
	TOTAL Account 394	2,579,591.81	6.59%	169,947.13	5.72%	147,521.10	-22,426.03
395.00	Laboratory Equipment	172,283.97	7.67%	13,214.18	6.95%	11,980.02	-1,234.16
COMMUNICATION EQUIPMENT							
397.10	Radio Communication Equip. (Fixed)	226,847.00	7.37%	16,718.62	6.07%	13,763.90	-2,954.72
397.20	Radio Communication Equip. (Mobile)	468,875.34	7.34%	34,415.45	4.06%	19,052.43	-15,363.02
397.30	General Telephone Communication Equip.	56,947.69	9.88%	5,626.43	10.69%	6,089.15	462.72
397.80	Network Equipment	172,146.81	26.26%	45,205.75	17.68%	30,435.15	-14,770.60
	TOTAL Account 397	924,816.84	11.03%	101,966.25	7.50%	69,340.63	-32,625.62
398.00	Miscellaneous Equipment	56,850.20	1.27%	722.00	9.43%	5,361.40	4,639.40
	Sub-Total (General Plant) Amortization	5,179,502.08	10.15%	525,686.49	6.98%	361,279.88	-164,406.61

Table 7

Montana-Dakota Utilities Company
Gas Division
Account 391.10 - Office Furniture & Equipment

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		15	R1			
Calculation Year:		2008				
Year	Original Cost 12-31	Calculated Reserve	Amortization Starting Depr. Reserve	Remaining Amount To Be Amortized	Remaining Amortization Period (Yrs)	Annual Amortization Amount
1981	0.00	0 (1)	0.00	0.00	0	0.00
1982	0.00	0 (1)	0.00	0.00	0	0.00
1983	7,307.73	6,569 (1)	7,307.73	0.00	0	0.00
1984	16,479.54	14,486 (1)	16,479.54	0.00	0	0.00
1985	10,979.03	9,421 (1)	10,979.03	0.00	0	0.00
1986	4,822.91	4,033 (1)	4,822.91	0.00	0	0.00
1987	4,502.87	3,661 (1)	4,502.87	0.00	0	0.00
1988	4,948.78	3,903 (1)	4,948.78	0.00	0	0.00
1989	3,828.83	2,923 (1)	3,828.83	0.00	0	0.00
1990	2,689.60	1,981 (1)	2,689.60	0.00	0	0.00
1991	34,433.72	24,398 (1)	34,433.72	0.00	0	0.00
1992	1,536.78	1,044 (1)	1,536.78	0.00	0	0.00
1993	10,058.25	6,520 (1)	10,058.25	0.00	0	0.00
1994	0.00	0 (2)	0.00	0.00	1	0.00
1995	8,216.74	4,783 (2)	4,783.00	3,433.74	2	1,716.87
1996	12,579.64	6,877 (2)	6,877.00	5,702.64	3	1,900.88
1997	2,820.08	1,437 (2)	1,437.00	1,383.08	4	345.77
1998	2,737.78	1,290 (2)	1,290.00	1,447.78	5	289.56
1999	5,933.10	2,558 (2)	2,558.00	3,375.10	6	562.52
2000	8,854.29	3,452 (2)	3,452.00	5,402.29	7	771.76
2001	449.66	156 (2)	156.00	293.66	8	36.71
2002	211,189.90	64,097 (2)	64,097.00	147,092.90	9	16,343.66
2003	18,121.04	4,692 (2)	4,692.00	13,429.04	10	1,342.90
2004	5,956.62	1,272 (2)	1,272.00	4,684.62	11	425.87
2005	10,911.21	1,828 (2)	1,828.00	9,083.21	12	756.93
2006	10,584.90	1,279 (2)	1,279.00	9,305.90	13	715.84
2007	15,918.93	1,165 (2)	1,165.00	14,753.93	14	1,053.85
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	15	<u>0.00</u>
	415,861.93	173,825	196,474.04	219,387.89	6.32%	26,263.11
Book Reserve			179,231.41			
Starting Point Depreciation Reserve			<u>196,474.04</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			17,242.63		15	<u>1,149.51</u>
Total Amortization Amount					6.59%	27,412.62

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

**Montana-Dakota Utilities Company
Gas Division
Account 391.30 - Computer Equipment - PC**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		5	R2			
Calculation Year:		2008				
Year	Original Cost 12-31	Calculated Reserve	Amortization Starting Depr. Reserve	Remaining Amount To Be Amortized	Remaining Amortization Period (Yrs)	Annual Amortization Amount
2000	0.00	0 (1)	0.00	0.00	0	0.00
2001	0.00	0 (1)	0.00	0.00	0	0.00
2002	1,020.09	844 (1)	1,020.09	0.00	0	0.00
2003	161,255.28	122,499 (1)	161,255.28	0.00	0	0.00
2004	219,235.28	146,494 (2)	146,494.00	72,741.28	1	72,741.28
2005	163,217.13	90,089 (2)	90,089.00	73,128.13	2	36,564.07
2006	110,818.82	45,905 (2)	45,905.00	64,913.82	3	21,637.94
2007	99,484.66	25,760 (2)	25,760.00	73,724.66	4	18,431.17
2008	<u>73,086.95</u>	<u>6,529</u> (2)	<u>6,529.00</u>	<u>66,557.95</u>	5	<u>13,311.59</u>
	828,118.21	438,120	477,052.37	351,065.84	3.16%	162,686.04
Book Reserve			823,565.05			
Starting Point Depreciation Reserve			<u>477,052.37</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			-346,512.68		5	<u>-69,302.54</u>
Total Amortization Amount					11.28%	93,383.50

Table 7

**Montana-Dakota Utilities Company
Gas Division
Account 391.50 - Other Computer Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		5	R2			
Calculation Year: 2008						
<u>Year</u>	<u>Original Cost 12-31</u>	<u>Calculated Reserve</u>	<u>Amortization Starting Depr. Reserve</u>	<u>Remaining Amount To Be Amortized</u>	<u>Remaining Amortization Period (Yrs)</u>	<u>Annual Amortization Amount</u>
2007	25,878.68	6,701 (2)	6,701.00	19,177.68	4	4,794.42
2008	<u>27,818.16</u>	<u>2,485</u> (2)	<u>2,485.00</u>	<u>25,333.16</u>	5	<u>5,066.63</u>
	53,696.84	9,186	9,186.00	44,510.84	3.16%	9,861.05
Book Reserve			8,767.81			
Starting Point Depreciation Reserve			<u>9,186.00</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			418.19		5	<u>9,857.85</u>
Total Amortization Amount					4.97%	27,033.65

Table 7

**Montana-Dakota Utilities Company
Gas Division
Account 393- Stores Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		35		R3			
Calculation Year: 2008							
<u>Year</u>	<u>Original Cost 12-31</u>	<u>Calculated Reserve</u>		<u>Amortization Starting Depr. Reserve</u>	<u>Remaining Amount To Be Amortized</u>	<u>Remaining Amortization Period (Yrs)</u>	<u>Annual Amortization Amount</u>
1956	0.00	0	(1)	0.00	0.00	0	0.00
1957	0.00	0	(1)	0.00	0.00	0	0.00
1958	15.51	15	(1)	15.51	0.00	0	0.00
1959	430.38	401	(1)	430.38	0.00	0	0.00
1960	2,526.36	2,335	(1)	2,526.36	0.00	0	0.00
1961	553.94	508	(1)	553.94	0.00	0	0.00
1962	1,082.68	985	(1)	1,082.68	0.00	0	0.00
1963	1,045.67	943	(1)	1,045.67	0.00	0	0.00
1964	485.33	434	(1)	485.33	0.00	0	0.00
1965	0.00	0	(1)	0.00	0.00	0	0.00
1966	2,157.35	1,895	(1)	2,157.35	0.00	0	0.00
1967	1,651.60	1,436	(1)	1,651.60	0.00	0	0.00
1968	5,567.94	4,791	(1)	5,567.94	0.00	0	0.00
1969	516.52	439	(1)	516.52	0.00	0	0.00
1970	1,330.08	1,118	(1)	1,330.08	0.00	0	0.00
1971	9,040.24	7,496	(1)	9,040.24	0.00	0	0.00
1972	2,993.64	2,447	(1)	2,993.64	0.00	0	0.00
1973	5,710.69	4,595	(1)	5,710.69	0.00	0	0.00
1974	1,448.26	1,146	(2)	1,146.00	302.26	1	302.26
1975	967.22	752	(2)	752.00	215.22	2	107.61
1977	2,974.56	2,220	(2)	2,220.00	754.56	4	188.64
1978	7,363.43	5,375	(2)	5,375.00	1,988.43	5	397.69
1979	0.00	0	(2)	0.00	0.00	6	0.00
1980	2,475.39	1,720	(2)	1,720.00	755.39	7	107.91
1981	0.00	0	(2)	0.00	0.00	8	0.00
1982	608.44	400	(2)	400.00	208.44	9	23.16
1983	0.00	0	(2)	0.00	0.00	10	0.00
1984	0.00	0	(2)	0.00	0.00	11	0.00
1985	0.00	0	(2)	0.00	0.00	12	0.00
1986	2,247.72	1,293	(2)	1,293.00	954.72	13	73.44
1987	12,024.02	6,656	(2)	6,656.00	5,368.02	14	383.43
1988	0.00	0	(2)	0.00	0.00	15	0.00
1989	0.00	0	(2)	0.00	0.00	16	0.00
1990	761.71	370	(2)	370.00	391.71	17	23.04
1991	0.00	0	(2)	0.00	0.00	18	0.00
1992	14,689.00	6,436	(2)	6,436.00	8,253.00	19	434.37
1993	852.74	353	(2)	353.00	499.74	20	24.99
1994	11,358.34	4,420	(2)	4,420.00	6,938.34	21	330.40
1995	0.00	0	(2)	0.00	0.00	22	0.00
1996	1,284.52	435	(2)	435.00	849.52	23	36.94
1997	0.00	0	(2)	0.00	0.00	24	0.00
1998	0.00	0	(2)	0.00	0.00	25	0.00

Table 7

**Montana-Dakota Utilities Company
Gas Division
Account 393- Stores Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		35		R3			
Calculation Year:		2008					
<u>Year</u>	<u>Original Cost 12-31</u>	<u>Calculated Reserve</u>		<u>Amortization Starting Depr. Reserve</u>	<u>Remaining Amount To Be Amortized</u>	<u>Remaining Amortization Period (Yrs)</u>	<u>Annual Amortization Amount</u>
1999	0.00	0	(2)	0.00	0.00	26	0.00
2000	697.76	163	(2)	163.00	534.76	27	19.81
2001	19,702.69	4,085	(2)	4,085.00	15,617.69	28	557.77
2002	14,197.38	2,559	(2)	2,559.00	11,638.38	29	401.32
2003	14,253.48	2,180	(2)	2,180.00	12,073.48	30	402.45
2004	0.00	0	(2)	0.00	0.00	31	0.00
2005	5,267.69	515	(2)	515.00	4,752.69	32	148.52
2006	0.00	0	(2)	0.00	0.00	33	0.00
2007	0.00	0	(2)	0.00	0.00	34	0.00
2008	<u>0.00</u>	<u>0</u>	(2)	<u>0.00</u>	<u>0.00</u>	35	<u>0.00</u>
	148,282.28	70,916		76,185.93	72,096.35	2.67%	3,963.74
Book Reserve				88,443.55			
Starting Point Depreciation Reserve				<u>76,185.93</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)				-12,257.62		35	<u>-350.22</u>
Total Amortization Amount						2.44%	3,613.53

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

Montana-Dakota Utilities Company
Gas Division
Account 394.1 - Tools, Shop & Garage Equipment (Non-Unitized)

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		18	R1.5			
Calculation Year:		2008				
<u>Year</u>	<u>Original Cost</u> <u>12-31</u>	<u>Calculated</u> <u>Reserve</u>	<u>Amortization</u> <u>Starting</u> <u>Depr. Reserve</u>	<u>Remaining</u> <u>Amount To Be</u> <u>Amortized</u>	<u>Remaining</u> <u>Amortization</u> <u>Period (Yrs)</u>	<u>Annual</u> <u>Amortization</u> <u>Amount</u>
1978	0.00	0 (1)	0.00	0.00	0	0.00
1979	0.00	0 (1)	0.00	0.00	0	0.00
1980	10,467.90	9,204 (1)	10,467.90	0.00	0	0.00
1981	45,439.51	39,280 (1)	45,439.51	0.00	0	0.00
1982	38,635.11	32,802 (1)	38,635.11	0.00	0	0.00
1983	12,607.97	10,500 (1)	12,607.97	0.00	0	0.00
1984	0.00	0 (1)	0.00	0.00	0	0.00
1985	139,100.33	111,035 (1)	139,100.33	0.00	0	0.00
1986	84,211.26	65,644 (1)	84,211.26	0.00	0	0.00
1987	14,238.35	10,815 (1)	14,238.35	0.00	0	0.00
1988	21,344.59	15,757 (1)	21,344.59	0.00	0	0.00
1989	45,044.89	32,224 (1)	45,044.89	0.00	0	0.00
1990	36,693.43	25,354 (1)	36,693.43	0.00	0	0.00
1991	24,443.91	16,253 (2)	16,253.00	8,190.91	1	8,190.91
1992	53,753.21	34,256 (2)	34,256.00	19,497.21	2	9,748.61
1993	11,046.15	6,716 (2)	6,716.00	4,330.15	3	1,443.38
1994	207,471.21	119,751 (2)	119,751.00	87,720.21	4	21,930.05
1995	11,983.39	6,529 (2)	6,529.00	5,454.39	5	1,090.88
1996	88,738.37	45,348 (2)	45,348.00	43,390.37	6	7,231.73
1997	79,855.62	38,003 (2)	38,003.00	41,852.62	7	5,978.95
1998	75,440.20	33,152 (2)	33,152.00	42,288.20	8	5,286.03
1999	60,557.07	24,334 (2)	24,334.00	36,223.07	9	4,024.79
2000	103,232.71	37,483 (2)	37,483.00	65,749.71	10	6,574.97
2001	88,807.59	28,719 (2)	28,719.00	60,088.59	11	5,462.60
2002	136,247.42	38,521 (2)	38,521.00	97,726.42	12	8,143.87
2003	140,533.90	33,908 (2)	33,908.00	106,625.90	13	8,201.99
2004	132,041.11	26,282 (2)	26,282.00	105,759.11	14	7,554.22
2005	194,448.84	30,348 (2)	30,348.00	164,100.84	15	10,940.06
2006	279,393.80	31,400 (2)	31,400.00	247,993.80	16	15,499.61
2007	231,829.38	15,756 (2)	15,756.00	216,073.38	17	12,710.20
2008	<u>148,031.67</u>	<u>3,381</u> (2)	<u>3,381.00</u>	<u>144,650.67</u>	<u>18</u>	<u>8,036.15</u>
	2,515,638.89	922,755	1,017,923.34	1,497,715.55	5.89%	148,048.98
Book Reserve			1,124,846.96			
Starting Point Depreciation Reserve			<u>1,017,923.34</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			-106,923.62		18	<u>-5,940.20</u>
Total Amortization Amount					5.65%	142,108.78

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

**Montana-Dakota Utilities Company
Gas Division
Account 394.3 - Vehicle Maintenance Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		20	R3				
Calculation Year: 2008							
<u>Year</u>	<u>Original Cost 12-31</u>	<u>Calculated Reserve</u>	<u>Amortization Starting Depr. Reserve</u>	<u>Remaining Amount To Be Amortized</u>	<u>Remaining Amortization Period (Yrs)</u>	<u>Annual Amortization Amount</u>	
1987	5,304.03	4,403 (1)	5,304.03	0.00	0	0.00	
1988	0.00	0 (1)	0.00	0.00	0	0.00	
1989	3,393.19	2,666 (2)	2,666.00	727.19	1	727.19	
1990	0.00	0 (2)	0.00	0.00	2	0.00	
1991	8,613.81	6,304 (2)	6,304.00	2,309.81	3	769.94	
1992	261.32	183 (2)	183.00	78.32	4	19.58	
1993	1,728.56	1,157 (2)	1,157.00	571.56	5	114.31	
1994	11,875.67	7,542 (2)	7,542.00	4,333.67	6	722.28	
1995	0.00	0 (2)	0.00	0.00	7	0.00	
1996	0.00	0 (2)	0.00	0.00	8	0.00	
1997	0.00	0 (2)	0.00	0.00	9	0.00	
1998	0.00	0 (2)	0.00	0.00	10	0.00	
1999	0.00	0 (2)	0.00	0.00	11	0.00	
2000	0.00	0 (2)	0.00	0.00	12	0.00	
2001	0.00	0 (2)	0.00	0.00	13	0.00	
2002	0.00	0 (2)	0.00	0.00	14	0.00	
2003	0.00	0 (2)	0.00	0.00	15	0.00	
2004	0.00	0 (2)	0.00	0.00	16	0.00	
2005	0.00	0 (2)	0.00	0.00	17	0.00	
2006	5,923.44	723 (2)	723.00	5,200.44	18	288.91	
2007	0.00	0 (2)	0.00	0.00	19	0.00	
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	<u>20</u>	<u>0.00</u>	
	37,100.02	22,978	23,879.03	13,220.99	7.12%	2,642.21	
Book Reserve			23,917.83				
Starting Point Depreciation Reserve			<u>23,879.03</u>				
Book/Amortization Starting Point Depr Reserve Var (Amortize over Amortization Period)			-38.80		20	<u>-1.94</u>	
Total Amortization Amount					7.12%	2,640.27	

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

Montana-Dakota Utilities Company
Gas Division
Account 394.4 - Vehicle Refueling Equipment

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		15	R3				
Calculation Year:		2008					
<u>Year</u>	<u>Original Cost</u> <u>12-31</u>	<u>Calculated</u> <u>Reserve</u>	<u>Amortization</u> <u>Starting</u> <u>Depr. Reserve</u>	<u>Remaining</u> <u>Amount To Be</u> <u>Amortized</u>	<u>Remaining</u> <u>Amortization</u> <u>Period (Yrs)</u>	<u>Annual</u> <u>Amortization</u> <u>Amount</u>	
1995	0.00	0 (2)	0.00	0.00	2	0.00	
1996	26,852.90	18,972 (2)	18,972.00	7,880.90	3	2,626.97	
1997	0.00	0 (2)	0.00	0.00	4	0.00	
1998	0.00	0 (2)	0.00	0.00	5	0.00	
1999	0.00	0 (2)	0.00	0.00	6	0.00	
2000	0.00	0 (2)	0.00	0.00	7	0.00	
2001	0.00	0 (2)	0.00	0.00	8	0.00	
2002	0.00	0 (2)	0.00	0.00	9	0.00	
2003	0.00	0 (2)	0.00	0.00	10	0.00	
2004	0.00	0 (2)	0.00	0.00	11	0.00	
2005	0.00	0 (2)	0.00	0.00	12	0.00	
2006	0.00	0 (2)	0.00	0.00	13	0.00	
2007	0.00	0 (2)	0.00	0.00	14	0.00	
2008	<u>0.00</u>	<u>0 (2)</u>	<u>0.00</u>	<u>0.00</u>	<u>15</u>	<u>0.00</u>	
	26,852.90	18,972	18,972.00	7,880.90	9.78%	2,626.97	
Book Reserve			16,795.80				
Starting Point Depreciation Reserve			<u>18,972.00</u>				
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			2,176.20		15	<u>145.08</u>	
Total Amortization Amount					10.32%	2,772.05	

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

**Montana-Dakota Utilities Company
Gas Division
Account 395 - Laboratory Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		20	R2				
Calculation Year:		2008					
<u>Year</u>	<u>Original Cost 12-31</u>	<u>Calculated Reserve</u>	<u>Amortization Starting Depr. Reserve</u>	<u>Remaining Amount To Be Amortized</u>	<u>Remaining Amortization Period (Yrs)</u>	<u>Annual Amortization Amount</u>	
1981	0.00	0 (1)	0.00	0.00	0	0.00	
1982	0.00	0 (1)	0.00	0.00	0	0.00	
1983	8,582.06	7,143 (1)	8,582.06	0.00	0	0.00	
1984	2,706.78	2,207 (1)	2,706.78	0.00	0	0.00	
1985	17,869.81	14,245 (1)	17,869.81	0.00	0	0.00	
1987	17,045.88	12,903 (1)	17,045.88	0.00	0	0.00	
1988	1,235.97	908 (1)	1,235.97	0.00	0	0.00	
1989	1,656.98	1,178 (2)	1,178.00	478.98	1	478.98	
1990	522.68	358 (2)	358.00	164.68	2	82.34	
1991	14,199.27	9,357 (2)	9,357.00	4,842.27	3	1,614.09	
1992	1,179.16	744 (2)	744.00	435.16	4	108.79	
1993	4,433.74	2,666 (2)	2,666.00	1,767.74	5	353.55	
1994	0.00	0 (2)	0.00	0.00	6	0.00	
1995	20,858.40	11,221 (2)	11,221.00	9,637.40	7	1,376.77	
1996	1,164.44	587 (2)	587.00	577.44	8	72.18	
1997	0.00	0 (2)	0.00	0.00	9	0.00	
1998	0.00	0 (2)	0.00	0.00	10	0.00	
1999	0.00	0 (2)	0.00	0.00	11	0.00	
2000	22,599.05	8,108 (2)	8,108.00	14,491.05	12	1,207.59	
2001	5,104.84	1,632 (2)	1,632.00	3,472.84	13	267.14	
2002	53,124.91	14,863 (2)	14,863.00	38,261.91	14	2,732.99	
2003	0.00	0 (2)	0.00	0.00	15	0.00	
2004	0.00	0 (2)	0.00	0.00	16	0.00	
2005	0.00	0 (2)	0.00	0.00	17	0.00	
2006	0.00	0 (2)	0.00	0.00	18	0.00	
2007	0.00	0 (2)	0.00	0.00	19	0.00	
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	<u>20</u>	<u>0.00</u>	
	172,283.97	88,120	98,154.50	74,129.47	4.81%	8,294.42	
Book Reserve			24,442.45				
Starting Point Depreciation Reserve			<u>98,154.50</u>				
Book/Amortization Starting Point Depr Reserve Varia (Amortize over Amortization Period)			73,712.05		20	<u>3,685.60</u>	
Total Amortization Amount					6.95%	11,980.02	

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

Montana-Dakota Utilities Company
Gas Division
Account 397.1 - Radio Communication Equipment (Fixed)

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):			15	R3			
Calculation Year:			2008				
<u>Year</u>	<u>Original Cost</u> <u>12-31</u>	<u>Calculated</u> <u>Reserve</u>	<u>Amortization</u> <u>Starting</u> <u>Depr. Reserve</u>	<u>Remaining</u> <u>Amount To Be</u> <u>Amortized</u>	<u>Remaining</u> <u>Amortization</u> <u>Period (Yrs)</u>	<u>Annual</u> <u>Amortization</u> <u>Amount</u>	
1987	0.00	0 (1)	0.00	0.00	0	0.00	
1988	0.00	0 (1)	0.00	0.00	0	0.00	
1989	0.00	0 (1)	0.00	0.00	0	0.00	
1990	0.00	0 (1)	0.00	0.00	0	0.00	
1991	70,527.50	60,805 (1)	70,527.50	0.00	0	0.00	
1992	0.00	0 (1)	0.00	0.00	0	0.00	
1993	0.00	0 (1)	0.00	0.00	0	0.00	
1994	0.00	0 (2)	0.00	0.00	1	0.00	
1995	17,943.49	13,384 (2)	13,384.00	4,559.49	2	2,279.75	
1996	19,525.74	13,795 (2)	13,795.00	5,730.74	3	1,910.25	
1997	17,886.14	11,867 (2)	11,867.00	6,019.14	4	1,504.79	
1998	1,719.80	1,061 (2)	1,061.00	658.80	5	131.76	
1999	0.00	0 (2)	0.00	0.00	6	0.00	
2000	0.00	0 (2)	0.00	0.00	7	0.00	
2001	18,737.92	8,656 (2)	8,656.00	10,081.92	8	1,260.24	
2002	27,774.34	11,265 (2)	11,265.00	16,509.34	9	1,834.37	
2003	0.00	0 (2)	0.00	0.00	10	0.00	
2004	10,670.34	3,063 (2)	3,063.00	7,607.34	11	691.58	
2005	0.00	0 (2)	0.00	0.00	12	0.00	
2006	16,384.34	2,655 (2)	2,655.00	13,729.34	13	1,056.10	
2007	25,677.39	2,512 (2)	2,512.00	23,165.39	14	1,654.67	
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	<u>15</u>	<u>0.00</u>	
	226,847.00	129,063	138,785.50	88,061.50	5.43%	12,323.50	
Book Reserve			117,179.40				
Starting Point Depreciation Reserve			<u>138,785.50</u>				
Book/Amortization Starting Point Depr Reserve Varia (Amortize over Amortization Period)			21,606.10		15	<u>1,440.41</u>	
Total Amortization Amount					6.07%	13,763.90	

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

Montana-Dakota Utilities Company
Gas Division
Account 397.2 - Radio Communication Equipment (Mobile)

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		15		R3		
Calculation Year:		2008				
<u>Year</u>	<u>Original Cost</u> <u>12-31</u>	<u>Calculated</u> <u>Reserve</u>	<u>Amortization</u> <u>Starting</u> <u>Depr. Reserve</u>	<u>Remaining</u> <u>Amount To Be</u> <u>Amortized</u>	<u>Remaining</u> <u>Amortization</u> <u>Period (Yrs)</u>	<u>Annual</u> <u>Amortization</u> <u>Amount</u>
1991	0.00	0 (1)	0.00	0.00	0	0.00
1992	234,529.05	196,806 (1)	234,529.05	0.00	0	0.00
1993	14,099.41	11,453 (1)	14,099.41	0.00	0	0.00
1994	0.00	0 (2)	0.00	0.00	1	0.00
1995	18,861.62	14,069 (2)	14,069.00	4,792.62	2	2,396.31
1996	11,115.37	7,853 (2)	7,853.00	3,262.37	3	1,087.46
1997	7,034.48	4,667 (2)	4,667.00	2,367.48	4	591.87
1998	2,166.65	1,337 (2)	1,337.00	829.65	5	165.93
1999	0.00	0 (2)	0.00	0.00	6	0.00
2000	57,474.36	29,665 (2)	29,665.00	27,809.36	7	3,972.77
2001	0.00	0 (2)	0.00	0.00	8	0.00
2002	15,101.42	6,125 (2)	6,125.00	8,976.42	9	997.38
2003	0.00	0 (2)	0.00	0.00	10	0.00
2004	3,093.15	888 (2)	888.00	2,205.15	11	200.47
2005	0.00	0 (2)	0.00	0.00	12	0.00
2006	1,624.26	263 (2)	263.00	1,361.26	13	104.71
2007	5,743.94	562 (2)	562.00	5,181.94	14	370.14
2008	<u>98,031.63</u>	<u>3,213</u> (2)	<u>3,213.00</u>	<u>94,818.63</u>	<u>15</u>	<u>6,321.24</u>
	468,875.34	276,901	317,270.46	151,604.88	3.46%	16,208.27
Book Reserve			274,608.16			
Starting Point Depreciation Reserve			<u>317,270.46</u>			
Book/Amortization Starting Point Depr Reserve Va (Amortize over Amortization Period)			42,662.30		15	<u>2,844.15</u>
Total Amortization Amount					4.06%	19,052.43

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

Montana-Dakota Utilities Company
Gas Division
Account 397.3 - General Telephone Communication Equipment

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		10		R1			
Calculation Year:		2008					
<u>Year</u>	<u>Original Cost</u> <u>12-31</u>	<u>Calculated</u> <u>Reserve</u>	<u>Amortization</u> <u>Starting</u> <u>Depr. Reserve</u>	<u>Remaining</u> <u>Amount To Be</u> <u>Amortized</u>	<u>Remaining</u> <u>Amortization</u> <u>Period (Yrs)</u>	<u>Annual</u> <u>Amortization</u> <u>Amount</u>	
1991	0.00	0 (1)	0.00	0.00	0	0.00	
1992	0.00	0 (1)	0.00	0.00	0	0.00	
1993	1,982.48	1,686 (1)	1,982.48	0.00	0	0.00	
1994	979.46	800 (1)	979.46	0.00	0	0.00	
1995	0.00	0 (1)	0.00	0.00	0	0.00	
1996	5,341.73	3,965 (1)	5,341.73	0.00	0	0.00	
1997	0.00	0 (1)	0.00	0.00	0	0.00	
1998	236.42	155 (1)	236.42	0.00	0	0.00	
1999	2,071.91	1,258 (2)	1,258.00	813.91	1	813.91	
2000	0.00	0 (2)	0.00	0.00	2	0.00	
2001	0.00	0 (2)	0.00	0.00	3	0.00	
2002	11,527.07	5,084 (2)	5,084.00	6,443.07	4	1,610.77	
2003	0.00	0 (2)	0.00	0.00	5	0.00	
2004	3,609.94	1,135 (2)	1,135.00	2,474.94	6	412.49	
2005	31,198.68	7,723 (2)	7,723.00	23,475.68	7	3,353.67	
2006	0.00	0 (2)	0.00	0.00	8	0.00	
2007	0.00	0 (2)	0.00	0.00	9	0.00	
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	<u>10</u>	<u>0.00</u>	
	56,947.69	21,806	23,740.09	33,207.60	10.87%	6,190.84	
Book Reserve			24,756.98				
Starting Point Depreciation Reserve			<u>23,740.09</u>				
Book/Amortization Starting Point Depr Reserve Variar (Amortize over Amortization Period)			-1,016.89		10	<u>-101.69</u>	
Total Amortization Amount					10.69%	6,089.15	

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

Montana-Dakota Utilities Company
Gas Division
Account 397.8 - Network Equipment

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		5		R3			
Calculation Year:		2008					
<u>Year</u>	<u>Original Cost</u> <u>12-31</u>	<u>Calculated</u> <u>Reserve</u>		<u>Amortization</u> <u>Starting</u> <u>Depr. Reserve</u>	<u>Remaining</u> <u>Amount To Be</u> <u>Amortized</u>	<u>Remaining</u> <u>Amortization</u> <u>Period (Yrs)</u>	<u>Annual</u> <u>Amortization</u> <u>Amount</u>
1997	0.00	(1)		0.00	0.00	0	0.00
1998	0.00	(1)		0.00	0.00	0	0.00
1999	0.00	(1)		0.00	0.00	0	0.00
2000	0.00	(1)		0.00	0.00	0	0.00
2001	4,440.95	3,997	(1)	4,440.95	0.00	0	0.00
2002	1,360.68	1,194	(1)	1,360.68	0.00	0	0.00
2003	2,420.43	2,003	(1)	2,420.43	0.00	0	0.00
2004	1,076.81	798	(2)	798.00	278.81	1	278.81
2005	0.00		(2)	0.00	0.00	2	0.00
2006	31,232.56	14,401	(2)	14,401.00	16,831.56	3	5,610.52
2007	114,735.71	32,898	(2)	32,898.00	81,837.71	4	20,459.43
2008	<u>16,879.67</u>	<u>1,651</u>	(2)	<u>1,651.00</u>	<u>15,228.67</u>	<u>5</u>	<u>3,045.73</u>
	172,146.81	56,942		57,970.06	114,176.75	17.08%	29,394.49
Book Reserve				52,766.76			
Starting Point Depreciation Reserve				<u>57,970.06</u>			
Book/Amortization Starting Point Depr Reserve Val (Amortize over Amortization Period)				5,203.30		5	<u>1,040.66</u>
Total Amortization Amount						17.68%	30,435.15

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve

Table 7

**Montana-Dakota Utilities Company
Gas Division
Account 398 - Miscellaneous Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		20		R2			
Calculation Year:		2008					
<u>Year</u>	<u>Original Cost 12-31</u>	<u>Calculated Reserve</u>	<u>Amortization Starting Depr. Reserve</u>	<u>Remaining Amount To Be Amortized</u>	<u>Remaining Amortization Period (Yrs)</u>	<u>Annual Amortization Amount</u>	
1980	0.00	0 (1)	0.00	0.00	0	0.00	
1981	0.00	0 (1)	0.00	0.00	0	0.00	
1982	517.46	439 (1)	517.46	0.00	0	0.00	
1983	2,295.46	1,911 (1)	2,295.46	0.00	0	0.00	
1984	940.17	766 (1)	940.17	0.00	0	0.00	
1985	1,072.89	855 (1)	1,072.89	0.00	0	0.00	
1986	150.93	117 (1)	150.93	0.00	0	0.00	
1987	0.00	0 (1)	0.00	0.00	0	0.00	
1988	259.43	191 (1)	259.43	0.00	0	0.00	
1989	512.29	364 (2)	364.00	148.29	1	148.29	
1990	1,079.95	741 (2)	741.00	338.95	2	169.48	
1991	2,406.18	1,586 (2)	1,586.00	820.18	3	273.39	
1992	3,002.27	1,894 (2)	1,894.00	1,108.27	4	277.07	
1993	2,104.05	1,265 (2)	1,265.00	839.05	5	167.81	
1994	20,687.82	11,798 (2)	11,798.00	8,889.82	6	1,481.64	
1995	0.00	0 (2)	0.00	0.00	7	0.00	
1996	2,257.88	1,139 (2)	1,139.00	1,118.88	8	139.86	
1997	1,968.54	925 (2)	925.00	1,043.54	9	115.95	
1998	2,379.33	1,032 (2)	1,032.00	1,347.33	10	134.73	
1999	0.00	0 (2)	0.00	0.00	11	0.00	
2000	493.66	177 (2)	177.00	316.66	12	26.39	
2001	1,357.10	434 (2)	434.00	923.10	13	71.01	
2002	2,240.64	627 (2)	627.00	1,613.64	14	115.26	
2003	541.85	129 (2)	129.00	412.85	15	27.52	
2004	0.00	0 (2)	0.00	0.00	16	0.00	
2005	0.00	0 (2)	0.00	0.00	17	0.00	
2006	10,582.30	1,178 (2)	1,178.00	9,404.30	18	522.46	
2007	0.00	0 (2)	0.00	0.00	19	0.00	
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	<u>20</u>	<u>0.00</u>	
	56,850.20	27,568	28,525.34	28,324.86	6.46%	3,670.85	
Book Reserve			-5,285.64				
Starting Point Depreciation Reserve			<u>28,525.34</u>				
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			33,810.98		20	<u>1,690.55</u>	
Total Amortization Amount					9.43%	5,361.40	

(1) Amortization starting point depreciation reserve set equal to original cost

(2) Amortization starting point depreciation reserve set equal to calculated depreciation reserve