

Montana-Dakota Utilities Company
Common Plant

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

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Present Rates		Proposed Rates						Net Change Depr. Exp. (l)		
			Rate % (d)	Annual Accrual (e)	Proposed Plant Only Rates		Proposed Gross Salv Rates		Proposed COR Rates			Total Proposed Rates	
					Rate % (f)	Annual Accrual (g)	Rate % (f)	Annual Accrual (g)	Rate % (h)	Annual Accrual (i)		Rate % (j)	Annual Accrual (k)
DEPRECIABLE PLANT													
General Plant													
390.0	General Structures	26,865,571.47	2.93%	787,161.24	2.51%	674,325.84	0.07%	18,805.90	-0.33%	(88,656.39)	2.25%	604,475.36	(182,685.88)
OFFICE FURNITURE & EQUIPMENT													
391.1	Office Furniture & Equipment	3,072,248.50	4.95%	152,076.30	6.75%	207,227.63	0.00%	0.00	0.00%	0.00	6.75%	207,227.63	55,151.33
391.2	Computer Equipment - Honeywell	0.00	1.52%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00
391.3	Computer Equipment - PC	2,168,689.65	23.29%	505,087.82	7.28%	157,939.09	0.00%	0.00	0.00%	0.00	7.28%	157,939.09	(347,148.73)
391.4	Computer Equipment - Prime/Sun	7,552.14	26.51%	2,002.07	0.68%	51.47	0.00%	0.00	0.00%	0.00	0.68%	51.47	(1,950.60)
391.5	Computer Equipment - Other	1,049,321.00	0.46%	4,826.88	18.40%	193,100.24	0.00%	0.00	0.00%	0.00	18.40%	193,100.24	188,273.36
	TOTAL Account 391	6,297,811.29	10.54%	663,993.07	8.87%	558,318.43	0.00%	0.00	0.00%	0.00	8.87%	558,318.43	(105,674.64)
TRANSPORTATION EQUIPMENT													
392.1	Transportation Equipment (Trailers)	113,614.30	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00 (1)	0.00%	0.00	0.00
392.2	Transportation Equipment (Cars & Trucks)	5,326,632.43	13.33%	710,040.10	9.14%	486,854.20	-4.44%	(236,502.48)	0.00%	0.00	4.70%	250,351.72	(459,688.38)
	TOTAL Account 392	5,440,246.73	13.05%	710,040.10	8.95%	486,854.20	-4.35%	(236,502.48)	0.00%	0.00	4.60%	250,351.72	(459,688.38)
393.0	Stores Equipment	45,012.16	2.80%	1,260.34	3.32%	1,494.05	0.00%	0.00	0.00%	0.00	3.32%	1,494.05	233.71
TOOLS, SHOP & GARAGE EQ.													
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47	6.11%	25,223.33	6.71%	27,719.23	0.00%	0.00	0.00%	0.00	6.71%	27,719.23	2,495.90
394.3	Vehicle Maintenance Equipment	179,785.84	4.75%	8,539.83	5.33%	9,591.43	0.00%	0.00	0.00%	0.00	5.33%	9,591.43	1,051.60
394.4	Vehicle Refueling Equipment	612,112.44	4.38%	26,810.52	3.28%	20,101.35	0.00%	0.00	0.00%	0.00	3.28%	20,101.35	(6,709.17)
	TOTAL Account 394	1,204,718.75	5.03%	60,573.68	4.77%	57,412.01	0.00%	0.00	0.00%	0.00	4.77%	57,412.01	(3,161.67)
396.2	Power Operated Equipment	53,432.48	2.69%	1,437.33	18.22%	9,735.40	-10.64%	(5,685.22)	0.00%	0.00	7.58%	4,050.18	2,612.85
COMMUNICATION EQUIPMENT													
397.1	Radio Communication Equip. (Fixed)	379,772.93	4.99%	18,950.67	4.70%	17,844.86	0.00%	0.00	0.00%	0.00	4.70%	17,844.86	(1,105.81)
397.2	Radio Communication Equip. (Mobile)	612,124.91	4.08%	24,974.70	4.13%	25,251.65	0.00%	0.00	0.00%	0.00	4.13%	25,251.65	276.95
397.3	General Telephone Communication Equip.	496,688.56	8.72%	43,311.24	7.78%	38,662.59	0.00%	0.00	0.00%	0.00	7.78%	38,662.59	(4,648.65)
397.5	Supervisory & Telemetering Equip.	41,918.98	0.35%	146.72	4.24%	1,777.12	0.00%	0.00	0.00%	0.00	4.24%	1,777.12	1,630.40
397.8	Network Equipment	424,430.36	17.95%	76,185.25	18.95%	80,428.99	0.00%	0.00	0.00%	0.00	18.95%	80,428.99	4,243.74
	TOTAL Account 397	1,954,935.74	8.37%	163,568.58	8.39%	163,965.21	0.00%	0.00	0.00%	0.00	8.39%	163,965.21	396.63
398.0	Miscellaneous Equipment	932,731.72	2.41%	22,478.83	4.01%	37,429.17	0.00%	0.00	0.00%	0.00	4.01%	37,429.17	14,950.34
	Sub-Total (General Plant) Amortization	10,435,209.66	8.74%	911,874.50	7.84%	818,618.87	0.00%	0.00	0.00%	0.00	7.84%	818,618.87	(93,255.63)
	TOTAL General Plant	42,794,460.34	5.63%	2,410,513.17	4.65%	1,989,534.31	-0.52%	(223,381.80)	-0.21%	(88,656.39)	3.92%	1,677,496.13	(733,017.04)
	TOTAL Depreciable Plant	42,794,460.34	5.63%	2,410,513.17	4.65%	1,989,534.31	-0.52%	(223,381.80)	-0.21%	(88,656.39)	3.92%	1,677,496.13	(733,017.04)

Montana-Dakota Utilities Company
Common Plant

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. (a)	Description (b)	Original Cost 12/31/08 (c)	Present Rates		Proposed Rates						Net Change Depr. Exp. (l)		
			Rate % (d)	Annual Accrual (e)	Proposed Plant Only Rates		Proposed Gross Salv Rates		Proposed COR Rates			Total Proposed Rates	
					Rate % (f)	Annual Accrual (g)	Rate % (f)	Annual Accrual (g)	Rate % (h)	Annual Accrual (i)		Rate % (j)	Annual Accrual (k)
Amortizable Plant													
392.3	Aircraft Equipment	2,937,920.42											
	TOTAL Amortizable Plant	2,937,920.42											
NON-DEPRECIABLE PLANT													
389.0	Land & Land Rights (General)	2,778,248.40											
	Total Land	2,778,248.40											
INTANGIBLE PLANT													
303.0	Miscellaneous Intangible Plant	22,784,037.44											
	Total Intangible Plant	22,784,037.44											
	TOTAL Non-Depreciable Plant	25,562,285.84											
	TOTAL Plant in Service	71,294,666.60											
	(1) Account Fully Depreciated. No further current depreciation accrual.												

**Montana-Dakota Utilities Company
Common Plant**

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

Account No. (a)	Description (b)	Cost 12/31/08 (c)	Total Book Depr Reserve 12/31/08 (f)	Cost of Removal In Book Res. (g)	Gross Salvage In Book Res. (h)	Plant Only Depr Reserve 12/31/08 (i)
<u>DEPRECIABLE PLANT</u>						
<u>General Plant</u>						
390.0	General Structures	26,865,571.47	11,607,448.53	2,257,817.48	(494,171.21)	9,843,802.26
OFFICE FURNITURE & EQUIPMENT						
391.1	Office Furniture & Equipment	3,072,248.50	1,438,080.62	0.00	0.00	1,438,080.62
391.2	Computer Equipment - Honeywell	0.00	0.00	0.00	0.00	0.00
391.3	Computer Equipment - PC	2,168,689.65	2,130,757.41	0.00	0.00	2,130,757.41
391.4	Computer Equipment - Prime/Sun	7,552.14	7,806.34	0.00	0.00	7,806.34
391.5	Computer Equipment - Other	1,049,321.00	467,503.87	0.00	0.00	467,503.87
	TOTAL Account 391	6,297,811.29	4,044,148.24	0.00	0.00	4,044,148.24
TRANSPORTATION EQUIPMENT						
392.1	Transportation Equipment (Trailers)	113,614.30	152,128.67	0.00	0.00	152,128.67
392.2	Transportation Equipment (Cars & Trucks)	5,326,632.43	3,135,598.94	0.00	0.00	3,135,598.94
	TOTAL Account 392	5,440,246.73	3,287,727.61	0.00	0.00	3,287,727.61
393.0	Stores Equipment	45,012.16	16,459.85	0.00	0.00	16,459.85
TOOLS, SHOP & GARAGE EQ.						
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47	161,007.16	0.00	0.00	161,007.16
394.3	Vehicle Maintenance Equipment	179,785.84	80,709.96	0.00	0.00	80,709.96
394.4	Vehicle Refueling Equipment	612,112.44	575,399.33	0.00	0.00	575,399.33
	TOTAL Account 394	1,204,718.75	817,116.45	0.00	0.00	817,116.45
396.2	Power Operated Equipment	53,432.48	7,669.90	0.00	0.00	7,669.90
COMMUNICATION EQUIPMENT						
397.1	Radio Communication Equip. (Fixed)	379,772.93	233,451.80	0.00	0.00	233,451.80
397.2	Radio Communication Equip. (Mobile)	612,124.91	466,747.57	0.00	0.00	466,747.57
397.3	General Telephone Communication Equip.	496,688.56	368,104.63	0.00	0.00	368,104.63
397.5	Supervisory & Telemetering Equip.	41,918.98	39,621.09	0.00	0.00	39,621.09
397.8	Network Equipment	424,430.36	132,568.37	0.00	0.00	132,568.37
	TOTAL Account 397	1,954,935.74	1,240,493.46	0.00	0.00	1,240,493.46
398.0	Miscellaneous Equipment	932,731.72	449,365.65	0.00	0.00	449,365.65
	Sub-Total (General Plant) Amortization	10,435,209.66	6,567,583.65	0.00	0.00	6,567,583.65
	TOTAL General Plant	42,794,460.34	21,470,429.69	2,257,817.48	(494,171.21)	19,706,783.42
	TOTAL Depreciable Plant	42,794,460.34	21,470,429.69	2,257,817.48	(494,171.21)	19,706,783.42

**Montana-Dakota Utilities Company
Common Plant**

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

Account No. (a)	<u>Description</u> (b)	<u>Cost</u> <u>12/31/08</u> (c)	<u>Total Book</u> <u>Depr Reserve</u> <u>12/31/08</u> (f)	<u>Cost of</u> <u>Removal</u> <u>In Book Res.</u> (g)	<u>Gross</u> <u>Salvage</u> <u>In Book Res.</u> (h)	<u>Plant Only</u> <u>Depr Reserve</u> <u>12/31/08</u> (i)
<u>Amortizable Plant</u>						
392.3	Aircraft Equipment	2,937,920.42	726,593.90	0.00	0.00	726,593.90
	TOTAL Amortizable Plant	2,937,920.42	726,593.90	0.00	0.00	726,593.90
<u>NON-DEPRECIABLE PLANT</u>						
389.0	Land & Land Rights (General)	2,778,248.40	0.00			0.00
	Total Land	2,778,248.40	0.00	0.00	0.00	0.00
INTANGIBLE PLANT						
303.0	Miscellaneous Intangible Plant	22,784,037.44				0.00
	Total Intangible Plant	22,784,037.44	0.00	0.00	0.00	0.00
	TOTAL Non-Depreciable Plant	25,562,285.84	0.00	0.00	0.00	0.00
	TOTAL Common Utility Plant in Service	71,294,666.60	22,197,023.59	2,257,817.48	(494,171.21)	20,433,377.32

Table 2 - Plant Only

Montana-Dakota Utilities Company
Common Plant

**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 %	Estimated Future 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 Depr. Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
<u>DEPRECIABLE PLANT</u>											
<u>General Plant</u>											
390.0	General Structures	26,865,571.47	0%	0.00	26,865,571.47	9,843,802.26	17,021,769.21	35-R1	25.2	675,467.03	2.51%
OFFICE FURNITURE & EQUIPMENT											
391.1	Office Furniture & Equipment	3,072,248.50	0%	0.00	3,072,248.50	1,438,080.62	1,634,167.88	N/A	N/A	207,227.63	6.75% *
391.2	Computer Equipment - Honeywell	0.00	0%	0.00	0.00	0.00	0.00	N/A	N/A	0.00	0.00% *
391.3	Computer Equipment - PC	2,168,689.65	0%	0.00	2,168,689.65	2,130,757.41	37,932.24	N/A	N/A	157,939.09	7.28% *
391.4	Computer Equipment - Prime/Sun	7,552.14	0%	0.00	7,552.14	7,806.34	-254.20	N/A	N/A	51.47	0.68% *
391.5	Computer Equipment - Other	1,049,321.00	0%	0.00	1,049,321.00	467,503.87	581,817.13	N/A	N/A	193,100.24	18.40% *
	TOTAL Account 391	6,297,811.29		0.00	6,297,811.29	4,044,148.24	2,253,663.05			558,318.42	8.87%
TRANSPORTATION EQUIPMENT											
392.1	Transportation Equipment (Trailers)	113,614.30	0%	0.00	113,614.30	152,128.67	-38,514.37	24-L1	12.6	0.00	0.00% (1)
392.2	Transportation Equipment (Cars & Trucks)	5,326,632.43	0%	0.00	5,326,632.43	3,135,598.94	2,191,033.49	8-R2	4.5	486,896.33	9.14%
	TOTAL Account 392	5,440,246.73		0.00	5,440,246.73	3,287,727.61	2,152,519.12			486,896.33	8.95%
393.0	Stores Equipment	45,012.16	0%	0.00	45,012.16	16,459.85	28,552.31	N/A	N/A	1,494.05	3.32% *
TOOLS, SHOP & GARAGE EQ.											
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47	0%	0.00	412,820.47	161,007.16	251,813.31	N/A	N/A	27,719.23	6.71% *
394.3	Vehicle Maintenance Equipment	179,785.84	0%	0.00	179,785.84	80,709.96	99,075.88	N/A	N/A	9,591.43	5.33% *
394.4	Vehicle Refueling Equipment	612,112.44	0%	0.00	612,112.44	575,399.33	36,713.11	N/A	N/A	20,101.35	3.28% *
	TOTAL Account 394	1,204,718.75		0.00	1,204,718.75	817,116.45	387,602.30			57,412.01	4.77%
396.2	Power Operated Equipment	53,432.48	0%	0.00	53,432.48	7,669.90	45,762.58	10-R2	4.7	9,736.72	18.22%
COMMUNICATION EQUIPMENT											
397.1	Radio Communication Equip. (Fixed)	379,772.93	0%	0.00	379,772.93	233,451.80	146,321.13	N/A	N/A	17,844.86	4.70% *
397.2	Radio Communication Equip. (Mobile)	612,124.91	0%	0.00	612,124.91	466,747.57	145,377.34	N/A	N/A	25,251.65	4.13% *
397.3	General Telephone Communication Equip.	496,688.56	0%	0.00	496,688.56	368,104.63	128,583.93	N/A	N/A	38,662.59	7.78% *
397.5	Supervisory & Telemetry Equip.	41,918.98	0%	0.00	41,918.98	39,621.09	2,297.89	N/A	N/A	1,777.12	4.24% *

Table 2 - Plant Only

**Montana-Dakota Utilities Company
Common Plant**

**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 Depr. Rate	
(a)	(b)	(c)	(d) (e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
397.8	Network Equipment	424,430.36	0%	0.00	424,430.36	132,568.37	N/A	N/A	80,428.99	18.95% *	
	TOTAL Account 397	1,954,935.74		0.00	1,954,935.74	1,240,493.46			163,965.21	8.39%	
398.0	Miscellaneous Equipment	932,731.72	0%	0.00	932,731.72	449,365.65	N/A	N/A	37,429.17	4.01% *	
	Sub-Total (General Plant) Amortization	10,435,209.66		0.00	10,435,209.66	6,567,583.65			818,618.85	7.84%	
	TOTAL General Plant	42,794,460.34		0.00	42,794,460.34	19,706,783.42			1,990,718.93	4.65%	
	TOTAL Depreciable Plant	42,794,460.34		0.00	42,794,460.34	19,706,783.42			1,990,718.93	4.65%	
	<u>Amortizable Plant</u>										
392.3	Aircraft Equipment	2,937,920.42									
	TOTAL Amortizable Plant	2,937,920.42									
	<u>NON-DEPRECIABLE PLANT</u>										
389.0	Land & Land Rights (General)	2,778,248.40									
	Total Land	2,778,248.40									
	INTANGIBLE PLANT										
303.0	Miscellaneous Intangible Plant	22,784,037.44									
	Total Intangible Plant	22,784,037.44									
	TOTAL Non-Depreciable Plant	25,562,285.84									
	TOTAL Plant in Service	71,294,666.60									
	TOTAL Common Utility Plant in Service										

* Based Upon Amortization Rates.

(1) Account Fully Depreciated. No further current depreciation accrual.

Table 2 - GrossSalv

**Montana-Dakota Utilities Company
Common Plant**

Montana-Dakota Utilities Company

**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. (a)	Description (b)	Original Cost 12/31/08 (c)	Estimated Future Net Salvage % (d)	Amount (e)	Original Cost Less Salvage (f)	Book Depreciation Reserve (g)	Net Original Cost Less Salvage (h)	A.S.L./ Survivor Curve (i)	Average Remaining Life (j)	Annual Depreciation Accrual (k)	Annual Depr. Rate (l)
<u>DEPRECIABLE PLANT</u>											
<u>General Plant</u>											
390.0	General Structures	26,865,571.47	0%	0.00	26,865,571.47	(494,171.21)	494,171.21	35-R1	25.2	19,609.97	0.07%
OFFICE FURNITURE & EQUIPMENT											
391.1	Office Furniture & Equipment	3,072,248.50	0%	0.00	3,072,248.50	0.00	0.00	N/A	N/A	0.00	0.00% *
391.2	Computer Equipment - Honeywell	0.00	0%	0.00	0.00	0.00	0.00	N/A	N/A	0.00	0.00% *
391.3	Computer Equipment - PC	2,168,689.65	0%	0.00	2,168,689.65	0.00	0.00	N/A	N/A	0.00	0.00% *
391.4	Computer Equipment - Prime/Sun	7,552.14	0%	0.00	7,552.14	0.00	0.00	N/A	N/A	0.00	0.00% *
391.5	Computer Equipment - Other	1,049,321.00	0%	0.00	1,049,321.00	0.00	0.00	N/A	N/A	0.00	0.00% *
	TOTAL Account 391	6,297,811.29		0.00	6,297,811.29	0.00	0.00			0.00	0.00%
TRANSPORTATION EQUIPMENT											
392.1	Transportation Equipment (Trailers)	113,614.30	20%	22,722.86	90,891.44	0.00	(22,722.86)	24-L1	12.6	0.00	0.00% (1)
392.2	Transportation Equipment (Cars & Trucks)	5,326,632.43	20%	1,065,326.49	4,261,305.94	0.00	(1,065,326.49)	8-R2	4.5	(236,739.22)	-4.44%
	TOTAL Account 392	5,440,246.73		1,088,049.35	4,352,197.38	0.00	(1,088,049.35)			(236,739.22)	-4.35%
393.0	Stores Equipment	45,012.16	0%	0.00	45,012.16	0.00	0.00	N/A	N/A	0.00	0.00% *
TOOLS, SHOP & GARAGE EQ.											
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47	0%	0.00	412,820.47	0.00	0.00	N/A	N/A	0.00	0.00% *
394.3	Vehicle Maintenance Equipment	179,785.84	0%	0.00	179,785.84	0.00	0.00	N/A	N/A	0.00	0.00% *
394.4	Vehicle Refueling Equipment	612,112.44	0%	0.00	612,112.44	0.00	0.00	N/A	N/A	0.00	0.00% *
	TOTAL Account 394	1,204,718.75		0.00	1,204,718.75	0.00	0.00			0.00	0.00%
396.2	Power Operated Equipment	53,432.48	50%	26,716.24	26,716.24	0.00	(26,716.24)	10-R2	4.7	(5,684.31)	-10.64%
COMMUNICATION EQUIPMENT											
397.1	Radio Communication Equip. (Fixed)	379,772.93	0%	0.00	379,772.93	0.00	0.00	N/A	N/A	0.00	0.00% *
397.2	Radio Communication Equip. (Mobile)	612,124.91	0%	0.00	612,124.91	0.00	0.00	N/A	N/A	0.00	0.00% *
397.3	General Telephone Communication Equip.	496,688.56	0%	0.00	496,688.56	0.00	0.00	N/A	N/A	0.00	0.00% *

Table 2 - Gross Salv

**Montana-Dakota Utilities Company
Common Plant**

Montana-Dakota Utilities Company

**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 Depr. Rate
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
397.5	Supervisory & Telemetering Equip.	41,918.98	0%	0.00	41,918.98	0.00	0.00	N/A	N/A	0.00	0.00% *
397.8	Network Equipment	424,430.36	0%	0.00	424,430.36	0.00	0.00	N/A	N/A	0.00	0.00% *
	TOTAL Account 397	1,954,935.74		0.00	1,954,935.74	0.00	0.00			0.00	0.00%
398.0	Miscellaneous Equipment	932,731.72	0%	0.00	932,731.72	0.00	0.00	N/A	N/A	0.00	0.00% *
	Sub-Total (General Plant) Amortization	10,435,209.66		0.00	10,435,209.66	0.00	0.00			0.00	0.00%
	TOTAL General Plant	42,794,460.34		1,114,765.59	41,679,694.75	(494,171.21)	(620,594.38)			(222,813.56)	-0.52%
	TOTAL Depreciable Plant	42,794,460.34		1,114,765.59	41,679,694.75	(494,171.21)	(620,594.38)			(222,813.56)	-0.52%
	<u>Amortizable Plant</u>										
392.3	Aircraft Equipment	2,937,920.42									
	TOTAL Amortizable Plant	2,937,920.42									
	<u>NON-DEPRECIABLE PLANT</u>										
389.0	Land & Land Rights (General)	2,778,248.40									
	Total Land	2,778,248.40									
	INTANGIBLE PLANT										
303.0	Miscellaneous Intangible Plant	22,784,037.44									
	Total Intangible Plant	22,784,037.44									
	TOTAL Non-Depreciable Plant	25,562,285.84									
	TOTAL Plant in Service	71,294,666.60									

* Based Upon Amortization Rates.

(1) Account Fully Depreciated. No further current depreciation accrual.

Table 2 - COR

**Montana-Dakota Utilities Company
Common Plant**

**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. (a)	Description (b)	Original Cost 12/31/08 (c)	Estimated Future Net Salvage % (d)	Amount (e)	Original Cost Less Salvage (f)	Book Depreciation Reserve (g)	Net Original Cost Less Salvage (h)	A.S.L./ Survivor Curve (i)	Average Remaining Life (j)	Annual Depreciation Accrual (k)	Annual Depr. Rate (l)
<u>DEPRECIABLE PLANT</u>											
<u>General Plant</u>											
390.0	General Structures	26,865,571.47	0%	0.00	26,865,571.47	2,257,817.48	-2,257,817.48	35-R1	25.2	-89,595.93	-0.33%
OFFICE FURNITURE & EQUIPMENT											
391.1	Office Furniture & Equipment	3,072,248.50	0%	0.00	3,072,248.50	0.00	0.00	N/A	N/A	0.00	0.00% *
391.2	Computer Equipment - Honeywell	0.00	0%	0.00	0.00	0.00	0.00	N/A	N/A	0.00	0.00% *
391.3	Computer Equipment - PC	2,168,689.65	0%	0.00	2,168,689.65	0.00	0.00	N/A	N/A	0.00	0.00% *
391.4	Computer Equipment - Prime/Sun	7,552.14	0%	0.00	7,552.14	0.00	0.00	N/A	N/A	0.00	0.00% *
391.5	Computer Equipment - Other	1,049,321.00	0%	0.00	1,049,321.00	0.00	0.00	N/A	N/A	0.00	0.00% *
	TOTAL Account 391	6,297,811.29		0.00	6,297,811.29	0.00	0.00			0.00	0.00%
TRANSPORTATION EQUIPMENT											
392.1	Transportation Equipment (Trailers)	113,614.30	0%	0.00	113,614.30	0.00	0.00	24-L1	12.6	0.00	0.00% (1)
392.2	Transportation Equipment (Cars & Trucks)	5,326,632.43	0%	0.00	5,326,632.43	0.00	0.00	8-R2	4.5	0.00	0.00%
	TOTAL Account 392	5,440,246.73		0.00	5,440,246.73	0.00	0.00			0.00	0.00%
393.0	Stores Equipment	45,012.16	0%	0.00	45,012.16	0.00	0.00	N/A	N/A	0.00	0.00% *
TOOLS, SHOP & GARAGE EQ.											
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47	0%	0.00	412,820.47	0.00	0.00	N/A	N/A	0.00	0.00% *
394.3	Vehicle Maintenance Equipment	179,785.84	0%	0.00	179,785.84	0.00	0.00	N/A	N/A	0.00	0.00% *
394.4	Vehicle Refueling Equipment	612,112.44	0%	0.00	612,112.44	0.00	0.00	N/A	N/A	0.00	0.00% *
	TOTAL Account 394	1,204,718.75		0.00	1,204,718.75	0.00	0.00			0.00	0.00%
396.2	Power Operated Equipment	53,432.48	0%	0.00	53,432.48	0.00	0.00	10-R2	N/A	0.00	0.00%
COMMUNICATION EQUIPMENT											
397.1	Radio Communication Equip. (Fixed)	379,772.93	0%	0.00	379,772.93	0.00	0.00	N/A	N/A	0.00	0.00% *
397.2	Radio Communication Equip. (Mobile)	612,124.91	0%	0.00	612,124.91	0.00	0.00	N/A	N/A	0.00	0.00% *
397.3	General Telephone Communication Equip.	496,688.56	0%	0.00	496,688.56	0.00	0.00	N/A	N/A	0.00	0.00% *
397.5	Supervisory & Telemetering Equip.	41,918.98	0%	0.00	41,918.98	0.00	0.00	N/A	N/A	0.00	0.00% *

**Montana-Dakota Utilities Company
Common Plant**

**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 Depr. Rate
(a)	(b)	(c)	(d) (e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
397.8	Network Equipment	424,430.36	0% 0.00	424,430.36	0.00	0.00	N/A	N/A	0.00	0.00% *
	TOTAL Account 397	1,954,935.74		0.00	1,954,935.74	0.00			0.00	0.00%
398.0	Miscellaneous Equipment	932,731.72	0% 0.00	932,731.72	0.00	0.00	N/A	N/A	0.00	0.00% *
	Sub-Total (General Plant) Amortization	10,435,209.66	0.00	10,435,209.66	0.00	0.00			0.00	0.00%
	TOTAL General Plant	42,794,460.34		0.00	42,794,460.34	2,257,817.48			-89,595.93	-0.21%
	TOTAL Depreciable Plant	42,794,460.34		0.00	42,794,460.34	2,257,817.48			-89,595.93	-0.21%
	<u>Amortizable Plant</u>									
392.3	Aircraft Equipment	2,937,920.42								
	TOTAL Amortizable Plant	2,937,920.42								
	<u>NON-DEPRECIABLE PLANT</u>									
389.0	Land & Land Rights (General)	2,778,248.40								
	Total Land	2,778,248.40								
	INTANGIBLE PLANT									
303.0	Miscellaneous Intangible Plant	22,784,037.44								
	Total Intangible Plant	22,784,037.44								
	TOTAL Non-Depreciable Plant	25,562,285.84								
	TOTAL Plant in Service	71,294,666.60								
	TOTAL Common Utility Plant in Service									

* Based Upon Amortization Rates.

(1) Account Fully Depreciated. No further current depreciation accrual.

Table 3

**Montana-Dakota Utilities
Common Plant**

**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)	Original Cost Per Depr Study Data 12/31/08 (e)
<u>DEPRECIABLE PLANT</u>				
<u>General Plant</u>				
390.0	General Structures	26,865,571.47		26,865,571.47
OFFICE FURNITURE & EQUIPMENT				
391.1	Office Furniture & Equipment	3,072,248.50		3,072,248.50
391.2	Computer Equipment - Honeywell	0.00		0.00
391.3	Computer Equipment - PC	2,168,689.65		2,168,689.65
391.4	Computer Equipment - Prime/Sun	7,552.14		7,552.14
391.5	Computer Equipment - Other	1,049,321.00		1,049,321.00
	TOTAL Account 391	6,297,811.29	0.00	6,297,811.29
TRANSPORTATION EQUIPMENT				
392.1	Transportation Equipment (Trailers)	113,614.30		113,614.30
392.2	Transportation Equipment (Cars & Trucks)	5,326,632.43		5,326,632.43
	TOTAL Account 392	5,440,246.73	0.00	5,440,246.73
393.0	Stores Equipment	45,012.16		45,012.16
TOOLS, SHOP & GARAGE EQ.				
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47		412,820.47
394.3	Vehicle Maintenance Equipment	179,785.84		179,785.84
394.4	Vehicle Refueling Equipment	612,112.44		612,112.44
	TOTAL Account 394	1,204,718.75	0.00	1,204,718.75
396.2	Power Operated Equipment	53,432.48		53,432.48
COMMUNICATION EQUIPMENT				
397.1	Radio Communication Equip. (Fixed)	379,772.93		379,772.93
397.2	Radio Communication Equip. (Mobile)	612,124.91		612,124.91
397.3	General Telephone Communication Equip.	496,688.56		496,688.56
397.5	Supervisory & Telemetering Equip.	41,918.98		41,918.98
397.8	Network Equipment	424,430.36		424,430.36
	TOTAL Account 397	1,954,935.74	0.00	1,954,935.74

Table 3

**Montana-Dakota Utilities
Common Plant**

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

Account No. (a)	<u>Description</u> (b)	Original Cost Per Co. Books <u>12/31/08</u> (c)	(Pending) <u>Retirements</u> (d)	Original Cost Per Depr Study Data <u>12/31/08</u> (e)
398.0	Miscellaneous Equipment	932,731.72		932,731.72
	Sub-Total (General Plant) Amortization	10,435,209.66	0.00	10,435,209.66
	TOTAL General Plant	42,794,460.34	0.00	42,794,460.34
	TOTAL Depreciable Plant	42,794,460.34	0.00	42,794,460.34
	<u>Amortizable Plant</u>			
392.3	Aircraft Equipment	2,937,920.42		2,937,920.42
	TOTAL Amortizable Plant	2,937,920.42	0.00	2,937,920.42
	<u>NON-DEPRECIABLE PLANT</u>			
389.0	Land & Land Rights (General)	2,778,248.40		2,778,248.40
	Total Land	2,778,248.40	0.00	2,778,248.40
	INTANGIBLE PLANT			
303.0	Miscellaneous Intangible Plant	22,784,037.44		22,784,037.44
	Total Intangible Plant	22,784,037.44	0.00	22,784,037.44
	TOTAL Non-Depreciable Plant	25,562,285.84	0.00	25,562,285.84
	TOTAL Plant in Service	71,294,666.60	0.00	71,294,666.60
399.0	ARO	7,739.14		
	Total Including ARO	71,302,405.74		

Table 4

**Montana-Dakota Utilities Company
Common Plant**

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

Account No. (a)	Description (b)	Depr Reserve Per Books 12/31/08 (c)	(Pending) Retirements (d)	Depr Reserve Per Depr Study 12/31/08 (e)
<u>DEPRECIABLE PLANT</u>				
<u>General Plant</u>				
390.00	General Structures	11,607,448.53		11,607,448.53
OFFICE FURNITURE & EQUIPMENT				
391.10	Office Furniture & Equipment	1,438,080.62		1,438,080.62
391.20	Computer Equipment - Honeywell	0.00		0.00
391.30	Computer Equipment - PC	2,130,757.41		2,130,757.41
391.40	Computer Equipment - Prime/Sun	7,806.34		7,806.34
391.50	Computer Equipment - Other	467,503.87		467,503.87
	TOTAL Account 391	4,044,148.24	0.00	4,044,148.24
TRANSPORTATION EQUIPMENT				
392.10	Transportation Equipment (Trailers)	152,128.67		152,128.67
392.20	Transportation Equipment (Cars & Trucks)	3,135,598.94		3,135,598.94
	TOTAL Account 392	3,287,727.61	0.00	3,287,727.61
393.00	Stores Equipment	16,459.85		16,459.85
TOOLS, SHOP & GARAGE EQ.				
394.10	Tools, Shop & Garage Equip. (Non-Unitized)	161,007.16		161,007.16
394.30	Vehicle Maintenance Equipment	80,709.96		80,709.96
394.40	Vehicle Refueling Equipment	575,399.33		575,399.33
	TOTAL Account 394	817,116.45	0.00	817,116.45
396.20	Power Operated Equipment	7,669.90		7,669.90
COMMUNICATION EQUIPMENT				
397.10	Radio Communication Equip. (Fixed)	233,451.80		233,451.80
397.20	Radio Communication Equip. (Mobile)	466,747.57		466,747.57
397.30	General Telephone Communication Equip.	368,104.63		368,104.63
397.50	Supervisory & Telemetering Equip.	39,621.09		39,621.09
397.80	Network Equipment	132,568.37		132,568.37
	TOTAL Account 397	1,240,493.46	0.00	1,240,493.46

Table 4

**Montana-Dakota Utilities Company
Common Plant**

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

Account No.	<u>Description</u>	<u>Depr Reserve Per Books 12/31/08</u>	<u>(Pending) Retirements</u>	<u>Depr Reserve Per Depr Study 12/31/08</u>
(a)	(b)	(c)	(d)	(e)
398.00	Miscellaneous Equipment	449,365.65		449,365.65
	Sub-Total (General Plant) Amortization	6,567,583.65		6,567,583.65
	TOTAL General Plant	21,470,429.69	0.00	21,470,429.69
	TOTAL Depreciable Plant	21,470,429.69	0.00	21,470,429.69
	<u>Amortizable Plant</u>			
392.30	Aircraft Equipment	726,593.90		726,593.90
	TOTAL Amortizable Plant	726,593.90	0.00	726,593.90
	<u>NON-DEPRECIABLE PLANT</u>			
389.00	Land & Land Rights (General)	0.00		0.00
	Total Land	0.00	0.00	0.00
	INTANGIBLE PLANT			
303.00	Miscellaneous Intangible Plant	15,198,858.71		15,198,858.71
	Total Intangible Plant	15,198,858.71	0.00	15,198,858.71
	TOTAL Non-Depreciable Plant	15,198,858.71	0.00	15,198,858.71
	TOTAL Plant in Service	37,395,882.30	0.00	37,395,882.30
	TOTAL Common Utility Plant in Service	37,395,882.30	0.00	37,395,882.30
399.00	ARO	4,410.12		
	Total Including ARO	37,400,292.42		

Table 5

Montana-Dakota Utilities Company
Common Plant

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

Account No. (a)	Description (b)	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
%	%	%	Curve	Rate-%	Life	%	%	%	Curve	Life			
(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(n)	(o)			
DEPRECIABLE PLANT													
General Plant													
390.0	General Structures	26,865,571.47	-10%	0%	-10%	35-R3	2.93%	17.8	0%	0%	0%	35-R1	25.2
OFFICE FURNITURE & EQUIPMENT													
391.1	Office Furniture & Equipment	3,072,248.50	0%	0%	0%	N/A	4.95%	23.8	0%	0%	0%	N/A	*
391.2	Computer Equipment - Honeywell	0.00	0%	0%	0%	N/A	1.52%	18.6	0%	0%	0%	N/A	*
391.3	Computer Equipment - PC	2,168,689.65	0%	0%	0%	5-R3	23.29%	26.1	0%	0%	0%	N/A	*
391.4	Computer Equipment - Prime/Sun	7,552.14	0%	0%	0%	N/A	26.51%	27.1	0%	0%	0%	N/A	*
391.5	Computer Equipment - Other	1,049,321.00	0%	0%	0%	N/A	0.46%	26.2	0%	0%	0%	N/A	*
	TOTAL Account 391	6,297,811.29											
TRANSPORTATION EQUIPMENT													
392.1	Transportation Equipment (Trailers)	113,614.30	15%	15%	0%	20-L2	0.00%	8.0	20%	20%	0%	24-L1	12.6
392.2	Transportation Equipment (Cars & Trucks)	5,326,632.43	20%	20%	0%	7-R3	13.33%	3.2	20%	20%	0%	8-R2	4.5
	TOTAL Account 392	5,440,246.73											
393.0	Stores Equipment	45,012.16	0%	0%	0%	N/A	2.80%	24.0	0%	0%	0%	N/A	*
TOOLS, SHOP & GARAGE EQ.													
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47	0%	0%	0%	N/A	6.11%	12.6	0%	0%	0%	N/A	*
394.3	Vehicle Maintenance Equipment	179,785.84	0%	0%	0%	N/A	4.75%	16.5	0%	0%	0%	N/A	*
394.4	Vehicle Refueling Equipment	612,112.44	0%	0%	0%	N/A	4.38%	5.5	0%	0%	0%	N/A	*
	TOTAL Account 394	1,204,718.75											
396.2	Power Operated Equipment	53,432.48	40%	40%	0%	10-R2	2.69%	7.6	50%	50%	0%	10-R2	4.7
COMMUNICATION EQUIPMENT													
397.1	Radio Communication Equip. (Fixed)	379,772.93	-10%	0%	-10%	N/A	4.99%	12.3	0%	0%	0%	N/A	*
397.2	Radio Communication Equip. (Mobile)	612,124.91	0%	0%	0%	N/A	4.08%	7.6	0%	0%	0%	N/A	*
397.3	General Telephone Communication Equip.	496,688.56	10%	10%	0%	N/A	8.72%	9.8	0%	0%	0%	N/A	*
397.5	Supervisory & Telemetering Equip.	41,918.98	0%	0%	0%	N/A	0.35%	9.3	0%	0%	0%	N/A	*
397.8	Network Equipment	424,430.36	0%	0%	0%	N/A	17.95%	2.4	0%	0%	0%	N/A	*
	TOTAL Account 397	1,954,935.74											
398.0	Miscellaneous Equipment	932,731.72	5%	5%	0%	N/A	2.41%	11.3	0%	0%	0%	N/A	*
	Sub-Total (General Plant) Amortization	10,435,209.66											
	TOTAL General Plant	42,794,460.34											
	TOTAL Depreciable Plant	42,794,460.34											

Montana-Dakota Utilities Company
Common Plant

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

Account No. (a)	Description (b)	Original Cost 12/31/08 (c)	Present Parameters					Proposed Parameters				
			Net Salvage W/ COR % (d)	W/O COR % (e)	Gross COR % (f)	A.S.L./ Survivor Curve (g)	Present Depr. Rate-% (h)	Average Remaining Life (i)	Net Salvage W/ COR % (j)	W/O COR % (k)	Gross COR % (l)	A.S.L./ Survivor Curve (n)
<u>Amortizable Plant</u>												
392.3	Aircraft Equipment	2,937,920.42										
	TOTAL Amortizable Plant	2,937,920.42										
<u>NON-DEPRECIABLE PLANT</u>												
389.0	Land & Land Rights (General)	2,778,248.40										
	Total Land	2,778,248.40										
INTANGIBLE PLANT												
303.0	Miscellaneous Intangible Plant	22,784,037.44										
	Total Intangible Plant	22,784,037.44										
	TOTAL Non-Depreciable Plant	25,562,285.84										
	TOTAL Plant in Service	71,294,666.60										

TOTAL Common Utility Plant in Service

* Based Upon Amorization Rates.

Table 6

**Montana-Dakota Utilities Company
Common Plant**

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 Rate %	Annual Accrual	Proposed Amortization Rate %	Annual Accrual	Net Change Depr/Amort Expense
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
DEPRECIABLE GENERAL PLANT							
OFFICE FURNITURE & EQUIPMENT							
391.1	Office Furniture & Equipment	3,072,248.50	4.95%	152,076.30	6.75%	207,227.63	55,151.33
391.2	Computer Equipment - Honeywell	0.00	1.52%	0.00	0.00%	0.00	0.00
391.3	Computer Equipment - PC	2,168,689.65	23.29%	505,087.82	7.28%	157,939.09	-347,148.73
391.4	Computer Equipment - Prime/Sun	7,552.14	26.51%	2,002.07	0.68%	51.47	-1,950.60
391.5	Computer Equipment - Other	1,049,321.00	0.46%	4,826.88	18.40%	193,100.24	188,273.36
	TOTAL Account 391	6,297,811.29	10.54%	663,993.07	8.87%	558,318.43	-105,674.64
393	Stores Equipment	45,012.16	2.80%	1,260.34	3.32%	1,494.05	233.71
TOOLS, SHOP & GARAGE EQ.							
394.1	Tools, Shop & Garage Equip. (Non-Unitized)	412,820.47	6.11%	25,223.33	6.71%	27,719.23	2,495.90
394.3	Vehicle Maintenance Equipment	179,785.84	4.75%	8,539.83	5.33%	9,591.43	1,051.60
394.4	Vehicle Refueling Equipment	612,112.44	4.38%	26,810.52	3.28%	20,101.35	-6,709.17
	TOTAL Account 394	1,204,718.75	5.03%	60,573.68	4.77%	57,412.01	-3,161.67
COMMUNICATION EQUIPMENT							
397.1	Radio Communication Equip. (Fixed)	379,772.93	4.99%	18,950.67	4.70%	17,844.86	-1,105.81
397.2	Radio Communication Equip. (Mobile)	612,124.91	4.08%	24,974.70	4.13%	25,251.65	276.95
397.3	General Telephone Communication Equip.	496,688.56	8.72%	43,311.24	7.78%	38,662.59	-4,648.65
397.5	Supervisory & Telemetry Equip.	41,918.98	0.35%	146.72	4.24%	1,777.12	1,630.40
397.8	Network Equipment	424,430.36	17.95%	76,185.25	18.95%	80,428.99	4,243.74
	TOTAL Account 397	1,954,935.74	8.37%	163,568.58	8.39%	163,965.21	396.63
398	Miscellaneous Equipment	932,731.72	2.41%	22,478.83	4.01%	37,429.17	14,950.34
	Total (General Plant) Amortization	10,435,209.66	8.74%	911,874.50	7.84%	818,618.87	-93,255.63

Table 7

**Montana-Dakota Utilities Company
Common Plant
Account 391.10 - Office Furniture & 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 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>
1984	0.00		(1)	0.00	0.00	0	0.00
1985	0.00		(1)	0.00	0.00	0	0.00
1986	45,696.95	43,336	(1)	45,696.95	0.00	0	0.00
1987	53,529.26	49,935	(1)	53,529.26	0.00	0	0.00
1988	37,935.93	34,767	(1)	37,935.93	0.00	0	0.00
1989	38,772.08	34,890	(1)	38,772.08	0.00	0	0.00
1990	180,639.88	159,341	(1)	180,639.88	0.00	0	0.00
1991	70,628.94	60,892	(1)	70,628.94	0.00	0	0.00
1992	49,442.10	41,489	(1)	49,442.10	0.00	0	0.00
1993	108,531.32	88,160	(1)	108,531.32	0.00	0	0.00
1994	95,346.22	74,491	(2)	74,491.00	20,855.22	1	20,855.22
1995	76,776.57	57,269	(2)	57,269.00	19,507.57	2	9,753.79
1996	104,629.04	73,923	(2)	73,923.00	30,706.04	3	10,235.35
1997	234,174.95	155,372	(2)	155,372.00	78,802.95	4	19,700.74
1998	108,233.34	66,794	(2)	66,794.00	41,439.34	5	8,287.87
1999	194,687.24	110,566	(2)	110,566.00	84,121.24	6	14,020.21
2000	252,426.48	130,290	(2)	130,290.00	122,136.48	7	17,448.07
2001	289,131.78	133,570	(2)	133,570.00	155,561.78	8	19,445.22
2002	115,776.45	46,960	(2)	46,960.00	68,816.45	9	7,646.27
2003	188,093.59	65,314	(2)	65,314.00	122,779.59	10	12,277.96
2004	184,233.94	52,879	(2)	52,879.00	131,354.94	11	11,941.36
2005	252,275.26	56,815	(2)	56,815.00	195,460.26	12	16,288.36
2006	123,948.87	20,089	(2)	20,089.00	103,859.87	13	7,989.22
2007	175,417.75	17,162	(2)	17,162.00	158,255.75	14	11,303.98
2008	<u>91,920.56</u>	<u>3,012</u>	(2)	<u>3,012.00</u>	<u>88,908.56</u>	<u>15</u>	<u>5,927.24</u>
	3,072,248.50	1,577,316.00		1,649,682.46	1,422,566.04	6.29%	193,120.84
Book Reserve				1,438,080.62			
Starting Point Depreciation Reserve				<u>1,649,682.46</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)				211,601.84		15	<u>14,106.79</u>
Total Amortization Amount						6.75%	207,227.63

(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
Common Plant
Account 391.30 - Computer Equipment - PC**

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>	
2002	0.00	(1)	0.00	0.00	0	0.00	
2003	173,271.52	143,359 (1)	173,271.52	0.00	0	0.00	
2004	336,831.28	249,528 (2)	249,528.00	87,303.28	1	87,303.28	
2005	0.00	(2)	0.00	0.00	2	0.00	
2006	839,662.49	387,147 (2)	387,147.00	452,515.49	3	150,838.50	
2007	565,694.34	162,202 (2)	162,202.00	403,492.34	4	100,873.09	
2008	<u>253,230.02</u>	<u>24,769</u> (2)	<u>24,769.00</u>	<u>228,461.02</u>	<u>5</u>	<u>45,692.20</u>	
	2,168,689.65	967,005.00	996,917.52	1,171,772.13	17.74%	384,707.07	
Book Reserve			2,130,757.41				
Starting Point Depreciation Reserve			<u>996,917.52</u>				
Book/Amortization Starting Point Depr Reserve Vari (Amortize over Amortization Period)			-1,133,839.89		5	<u>-226,767.98</u>	
Total Amortization Amount					7.28%	157,939.09	

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

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

**Montana-Dakota Utilities Company
Common Plant
Account 391.40 - Computer Equipment - Prime/Sun**

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 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>
2002	5,426.78	4,761	(2)	4,761.00	665.78	0	0.00
2003	67.09	56	(2)	56.00	11.09	0	0.00
2004	0.00	0	(2)	0.00	0.00	1	0.00
2005	2,058.27	1,266	(2)	1,266.00	792.27	2	396.14
2006	0.00	0	(2)	0.00	0.00	3	0.00
2007	0.00	0	(2)	0.00	0.00	4	0.00
2008	<u>0.00</u>	<u>0</u>	(2)	<u>0.00</u>	<u>0.00</u>	5	<u>0.00</u>
	7,552.14	6,083.00		6,083.00	1,469.14	5.25%	396.14
Book Reserve				7,806.34			
Starting Point Depreciation Reserve				<u>6,083.00</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)				-1,723.34		5	<u>-344.67</u>
Total Amortization Amount						0.68%	51.47

(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
Common Plant
Account 391.50 - Computer Equipment - Other**

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>
2002	0.00	(1)		0.00	0.00	0	0.00
2003	9,649.33	7,984	(1)	9,649.33	0.00	0	0.00
2004	21,226.64	15,725	(2)	15,725.00	5,501.64	1	5,501.64
2005	130,826.48	80,456	(2)	80,456.00	50,370.48	2	25,185.24
2006	782,339.79	360,717	(2)	360,717.00	421,622.79	3	140,540.93
2007	28,263.63	8,104	(2)	8,104.00	20,159.63	4	5,039.91
2008	<u>77,015.13</u>	<u>7,533</u>	(2)	<u>7,533.00</u>	<u>69,482.13</u>	<u>5</u>	<u>13,896.43</u>
	1,049,321.00	480,519.00		482,184.33	567,136.67	18.12%	190,164.14
Book Reserve				467,503.87			
Starting Point Depreciation Reserve				<u>482,184.33</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)				14,680.46		5	<u>2,936.09</u>
Total Amortization Amount						18.40%	193,100.24

(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
Common Plant
Account 393- Stores Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		30	R2			
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>
1993	1,925.33	824 (2)	824.00	1,101.33	15	73.42
1994	0.00	0 (2)	0.00	0.00	16	0.00
1995	9,542.29	3,606 (2)	3,606.00	5,936.29	17	349.19
1996	3,495.87	1,232 (2)	1,232.00	2,263.87	18	125.77
1997	18,728.58	6,111 (2)	6,111.00	12,617.58	19	664.08
1998	175.14	53 (2)	53.00	122.14	20	6.11
1999	0.00	0 (2)	0.00	0.00	21	0.00
2000	0.00	0 (2)	0.00	0.00	22	0.00
2001	6,759.17	1,474 (2)	1,474.00	5,285.17	23	229.79
2002	0.00	0 (2)	0.00	0.00	24	0.00
2003	0.00	0 (2)	0.00	0.00	25	0.00
2004	0.00	0 (2)	0.00	0.00	26	0.00
2005	0.00	0 (2)	0.00	0.00	27	0.00
2006	0.00	0 (2)	0.00	0.00	28	0.00
2007	4,385.78	197 (2)	197.00	4,188.78	29	144.44
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	30	<u>0.00</u>
	45,012.16	13,497.00	13,497.00	31,515.16	3.54%	1,592.81
Book Reserve			16,459.85			
Starting Point Depreciation Reserve			<u>13,497.00</u>			
Book/Amortization Starting Point Depr Reserve Vari (Amortize over Amortization Period)			-2,962.85		30	<u>-98.76</u>
Total Amortization Amount					3.32%	1,494.05

(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
Common Plant
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	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>
1964	0.00	0 (1)	0.00	0.00	0	0.00
1992	12,015.67	8,186 (2)	8,186.00	3,829.67	2	1,914.84
1993	4,687.63	3,053 (2)	3,053.00	1,634.63	3	544.88
1994	78,684.31	48,741 (2)	48,741.00	29,943.31	4	7,485.83
1995	560.01	328 (2)	328.00	232.01	5	46.40
1996	13,482.62	7,424 (2)	7,424.00	6,058.62	6	1,009.77
1997	17,077.88	8,775 (2)	8,775.00	8,302.88	7	1,186.13
1998	44,493.69	21,157 (2)	21,157.00	23,336.69	8	2,917.09
1999	18,449.52	8,040 (2)	8,040.00	10,409.52	9	1,156.61
2000	14,608.41	5,765 (2)	5,765.00	8,843.41	10	884.34
2001	28,909.25	10,185 (2)	10,185.00	18,724.25	11	1,702.20
2002	0.00	0 (2)	0.00	0.00	12	0.00
2003	1,928.41	509 (2)	509.00	1,419.41	13	109.19
2004	22,351.92	4,875 (2)	4,875.00	17,476.92	14	1,248.35
2005	48,224.46	8,258 (2)	8,258.00	39,966.46	15	2,664.43
2006	43,803.99	5,406 (2)	5,406.00	38,397.99	16	2,399.87
2007	15,616.53	1,166 (2)	1,166.00	14,450.53	17	850.03
2008	<u>47,926.17</u>	<u>1,203 (2)</u>	<u>1,203.00</u>	<u>46,723.17</u>	<u>18</u>	<u>2,595.73</u>
	412,820.47	143,071.00	143,071.00	269,749.47	6.96%	28,715.69
Book Reserve			161,007.16			
Starting Point Depreciation Reserve			<u>143,071.00</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			-17,936.16		18	<u>-996.45</u>
Total Amortization Amount					6.71%	27,719.23

(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
Common Plant
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>
1988	369.59	315 (1)	369.59	0.00	0	0.00
1989	760.65	634 (1)	634.00	126.65	1	126.65
1991	32,309.61	25,339 (2)	25,339.00	6,970.61	3	2,323.54
1992	376.22	284 (2)	284.00	92.22	4	23.06
1993	22,016.33	15,931 (2)	15,931.00	6,085.33	5	1,217.07
1994	19,130.19	13,184 (2)	13,184.00	5,946.19	6	991.03
1994	0.00	0 (2)	0.00	0.00	6	0.00
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	15,978.08	8,458 (2)	8,458.00	7,520.08	10	752.01
1999	3,603.02	1,747 (2)	1,747.00	1,856.02	11	168.73
2000	5,963.88	2,617 (2)	2,617.00	3,346.88	12	278.91
2001	2,238.57	876 (2)	876.00	1,362.57	13	104.81
2002	0.00	0 (2)	0.00	0.00	14	0.00
2003	9,575.67	2,797 (2)	2,797.00	6,778.67	15	451.91
2004	3,101.37	747 (2)	747.00	2,354.37	16	147.15
2005	0.00	0 (2)	0.00	0.00	17	0.00
2006	8,048.09	1,090 (2)	1,090.00	6,958.09	18	386.56
2007	56,314.57	4,597 (2)	4,597.00	51,717.57	19	2,721.98
2008	<u>0.00</u>	<u>0</u> (2)	<u>0.00</u>	<u>0.00</u>	<u>20</u>	<u>0.00</u>
	179,785.84	78,616.00	78,670.59	101,115.25	5.39%	9,693.39
Book Reserve			80,709.96			
Starting Point Depreciation Reserve			<u>78,670.59</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			-2,039.37		20	<u>-101.97</u>
Total Amortization Amount					5.33%	9,591.43

(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
Common Plant
Account 394.4 - Vehicle Refueling 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>	
1986	243,205.76	206,460 (1)	243,205.76	0.00	0	0.00	
1987	3,402.61	2,825 (1)	3,402.61	0.00	0	0.00	
1988	2,890.28	2,339 (1)	2,890.28	0.00	0	0.00	
1989	0.00	0 (2)	0.00	0.00	1	0.00	
1990	0.00	0 (2)	0.00	0.00	2	0.00	
1991	133,128.79	97,432 (2)	97,432.00	35,696.79	3	11,898.93	
1992	71,092.77	49,879 (2)	49,879.00	21,213.77	4	5,303.44	
1993	0.00	0 (2)	0.00	0.00	5	0.00	
1994	0.00	0 (2)	0.00	0.00	6	0.00	
1995	0.00	0 (2)	0.00	0.00	7	0.00	
1996	61,784.64	34,705 (2)	34,705.00	27,079.64	8	3,384.96	
1997	18.20	10 (2)	10.00	8.20	9	0.91	
1998	27,961.71	13,495 (2)	13,495.00	14,466.71	10	1,446.67	
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	64,813.03	22,986 (2)	22,986.00	41,827.03	13	3,217.46	
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	3,814.65	649 (2)	649.00	3,165.65	17	186.21	
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>	
	612,112.44	430,780.00	468,654.65	143,457.79	4.16%	25,438.59	
Book Reserve			575,399.33				
Starting Point Depreciation Reserve			<u>468,654.65</u>				
Book/Amortization Starting Point Depr Reserve Variar (Amortize over Amortization Period)			-106,744.68		20	<u>-5,337.23</u>	
Total Amortization Amount					3.28%	20,101.35	

(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
Common Plant
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 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>	
1985	0.00	0 (1)	0.00	0.00	0	0.00	
1986	0.00	0 (1)	0.00	0.00	0	0.00	
1987	32,797.40	30,595 (1)	32,797.40	0.00	0	0.00	
1988	52,271.97	47,905 (1)	52,271.97	0.00	0	0.00	
1989	13,037.79	11,732 (1)	13,037.79	0.00	0	0.00	
1990	0.00	0 (1)	0.00	0.00	0	0.00	
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	0.00	0 (1)	0.00	0.00	0	0.00	
1994	0.00	0 (2)	0.00	0.00	1	0.00	
1995	0.00	0 (2)	0.00	0.00	2	0.00	
1996	30,098.37	21,265 (2)	21,265.00	8,833.37	3	2,944.46	
1997	9,884.40	6,558 (2)	6,558.00	3,326.40	4	831.60	
1998	2,978.64	1,838 (2)	1,838.00	1,140.64	5	228.13	
1999	0.00	0 (2)	0.00	0.00	6	0.00	
2000	71,469.03	36,889 (2)	36,889.00	34,580.03	7	4,940.00	
2001	11,131.90	5,143 (2)	5,143.00	5,988.90	8	748.61	
2002	27,105.71	10,994 (2)	10,994.00	16,111.71	9	1,790.19	
2003	2,425.10	842 (2)	842.00	1,583.10	10	158.31	
2004	25,355.96	7,278 (2)	7,278.00	18,077.96	11	1,643.45	
2005	16,932.68	3,813 (2)	3,813.00	13,119.68	12	1,093.31	
2006	62,107.36	10,066 (2)	10,066.00	52,041.36	13	4,003.18	
2007	6,771.94	663 (2)	663.00	6,108.94	14	436.35	
2008	<u>15,404.68</u>	<u>505 (2)</u>	<u>505.00</u>	<u>14,899.68</u>	<u>15</u>	<u>993.31</u>	
	379,772.93	196,086.00	203,961.16	175,811.77	5.22%	19,810.91	
Book Reserve			233,451.80				
Starting Point Depreciation Reserve			<u>203,961.16</u>				
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			-29,490.64		15	<u>-1,966.04</u>	
Total Amortization Amount					4.70%	17,844.86	

(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
Common Plant
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					
Year	Original Cost 12-31	Calculated Reserve	Amortization Starting Depr. Reserve	Remaining Amount To Be Amortized	Remaining Amortization Period (Yrs)	Annual Amortization Amount	
1985	0.00	0 (1)	0.00	0.00	0	0.00	
1986	758.41	719 (1)	758.41	0.00	0	0.00	
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	52,239.07	45,037 (1)	52,239.07	0.00	0	0.00	
1992	69,736.92	58,520 (1)	69,736.92	0.00	0	0.00	
1993	8,307.56	6,748 (1)	8,307.56	0.00	0	0.00	
1994	0.00	0 (2)	0.00	0.00	1	0.00	
1995	164.09	122 (2)	122.00	42.09	2	21.04	
1996	51,987.11	36,730 (2)	36,730.00	15,257.11	3	5,085.70	
1997	10,478.24	6,952 (2)	6,952.00	3,526.24	4	881.56	
1998	27,953.14	17,251 (2)	17,251.00	10,702.14	5	2,140.43	
1999	0.00	0 (2)	0.00	0.00	6	0.00	
2000	180,485.36	93,157 (2)	93,157.00	87,328.36	7	12,475.48	
2001	40,400.26	18,664 (2)	18,664.00	21,736.26	8	2,717.03	
2002	10,689.91	4,336 (2)	4,336.00	6,353.91	9	705.99	
2003	15,641.54	5,431 (2)	5,431.00	10,210.54	10	1,021.05	
2004	43,014.80	12,346 (2)	12,346.00	30,668.80	11	2,788.07	
2005	8,242.00	1,856 (2)	1,856.00	6,386.00	12	532.17	
2006	0.00	0 (2)	0.00	0.00	13	0.00	
2007	1,255.68	123 (2)	123.00	1,132.68	14	80.91	
2008	<u>90,770.82</u>	<u>2,975 (2)</u>	<u>2,975.00</u>	<u>87,795.82</u>	<u>15</u>	<u>5,853.05</u>	
	612,124.91	310,967.00	330,984.96	281,139.95	5.60%	34,302.49	
Book Reserve			466,747.57				
Starting Point Depreciation Reserve			<u>330,984.96</u>				
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			-135,762.61		15	<u>-9,050.84</u>	
Total Amortization Amount					4.13%	25,251.65	

(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
Common Plant
Account 397.3 - General Telephone Communication Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		10		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>	
1995	0.00	0 (1)	0.00	0.00	0	0.00	
1996	14.25	12 (1)	14.25	0.00	0	0.00	
1997	204,550.06	160,731 (1)	204,550.06	0.00	0	0.00	
1998	31,208.98	23,239 (1)	31,208.98	0.00	0	0.00	
1999	10,343.81	7,215 (2)	7,215.00	3,128.81	1	3,128.81	
2000	83,627.04	53,885 (2)	53,885.00	29,742.04	2	14,871.02	
2001	68,042.27	39,829 (2)	39,829.00	28,213.27	3	9,404.42	
2002	10,352.75	5,393 (2)	5,393.00	4,959.75	4	1,239.94	
2003	46,091.81	20,814 (2)	20,814.00	25,277.81	5	5,055.56	
2004	10,708.05	4,044 (2)	4,044.00	6,664.05	6	1,110.68	
2005	16,407.75	4,918 (2)	4,918.00	11,489.75	7	1,641.39	
2006	15,341.79	3,345 (2)	3,345.00	11,996.79	8	1,499.60	
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>	
	496,688.56	323,425.00	375,216.29	121,472.27	7.64%	37,951.42	
Book Reserve			368,104.63				
Starting Point Depreciation Reserve			<u>375,216.29</u>				
Book/Amortization Starting Point Depr Reserve Vari (Amortize over Amortization Period)			7,111.66		10	<u>711.17</u>	
Total Amortization Amount					7.78%	38,662.59	

(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
Common Plant
Account 397.5 - Supervisory & Telemetry Equipment**

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):	15	L1				
Calculation Year:	2008					
	Original Cost	Calculated	Amortization	Remaining	Remaining	Annual
Year	12-31	Reserve	Starting	Amount To Be	Amortization	Amortization
			Depr. Reserve	Amortized	Period (Yrs)	Amount
1997	0.00	0 (2)	0.00	0.00	4	0.00
1998	2,188.47	939 (2)	939.00	1,249.47	5	249.89
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	37,728.69	13,205 (2)	13,205.00	24,523.69	8	3,065.46
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	2,001.82	395 (2)	395.00	1,606.82	12	133.90
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>	15	<u>0.00</u>
	41,918.98	14,539.00	14,539.00	27,379.98	8.23%	3,449.26
Book Reserve			39,621.09			
Starting Point Depreciation Reserve			<u>14,539.00</u>			
Book/Amortization Starting Point Depr Reserve Variance (Amortize over Amortization Period)			-25,082.09		15	<u>-1,672.14</u>
Total Amortization Amount					4.24%	1,777.12

(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
Common Plant
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 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>	
2002	0.00	0 (1)	0.00	0.00	0	0.00	
2003	0.00	0 (1)	0.00	0.00	0	0.00	
2004	55,118.73	40,833 (2)	40,833.00	14,285.73	1	14,285.73	
2005	29,852.49	18,359 (2)	18,359.00	11,493.49	2	5,746.75	
2006	77,862.05	35,900 (2)	35,900.00	41,962.05	3	13,987.35	
2007	44,443.40	12,743 (2)	12,743.00	31,700.40	4	7,925.10	
2008	<u>217,153.69</u>	<u>21,241 (2)</u>	<u>21,241.00</u>	<u>195,912.69</u>	<u>5</u>	<u>39,182.54</u>	
	424,430.36	129,076.00	129,076.00	295,354.36	19.11%	81,127.46	
Book Reserve			132,568.37				
Starting Point Depreciation Reserve			<u>129,076.00</u>				
Book/Amortization Starting Point Depr Reserve Varia (Amortize over Amortization Period)			-3,492.37		5	<u>-698.47</u>	
Total Amortization Amount					18.95%	80,428.99	

(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
Common Plant
Account 398.00 - Miscellaneous Equipment

Development of Annual Amortization Amount Over Estimated Average Life of Property

Average Service Life-Amortization (Years):		20	R2				
Calculation Year:		2008					
Year	Original Cost <u>12-31</u>	Calculated <u>Reserve</u>	Amortization Starting <u>Depr. Reserve</u>	Remaining Amount To Be <u>Amortized</u>	Remaining Amortization Period (Yrs)	Annual Amortization Amount	
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	4,066.70	3,572 (1)	4,066.70	0.00	0	0.00	
1981	6,371.25	5,503 (1)	6,371.25	0.00	0	0.00	
1982	8,118.33	6,887 (1)	8,118.33	0.00	0	0.00	
1983	4,971.62	4,138 (1)	4,971.62	0.00	0	0.00	
1984	4,809.36	3,921 (1)	4,809.36	0.00	0	0.00	
1985	7,165.93	5,712 (1)	7,165.93	0.00	0	0.00	
1986	14,352.71	11,163 (1)	14,352.71	0.00	0	0.00	
1987	41,087.40	31,100 (1)	41,087.40	0.00	0	0.00	
1988	5,680.41	4,173 (1)	5,680.41	0.00	0	0.00	
1989	27,362.82	19,454 (2)	27,362.82	0.00	1	0.00	
1990	43,519.58	29,844 (2)	43,519.58	0.00	2	0.00	
1991	11,719.06	7,723 (2)	11,719.06	0.00	3	0.00	
1992	6,337.32	3,998 (2)	3,998.00	2,339.32	4	584.83	
1993	35,426.75	21,300 (2)	21,300.00	14,126.75	5	2,825.35	
1994	17,264.22	9,846 (2)	9,846.00	7,418.22	6	1,236.37	
1995	34,402.42	18,507 (2)	18,507.00	15,895.42	7	2,270.77	
1996	24,449.82	12,334 (2)	12,334.00	12,115.82	8	1,514.48	
1997	31,707.42	14,892 (2)	14,892.00	16,815.42	9	1,868.38	
1998	8,056.46	3,495 (2)	3,495.00	4,561.46	10	456.15	
1999	16,245.36	6,446 (2)	6,446.00	9,799.36	11	890.85	
2000	41,398.58	14,853 (2)	14,853.00	26,545.58	12	2,212.13	
2001	126,423.64	40,420 (2)	40,420.00	86,003.64	13	6,615.66	
2002	61,403.93	17,179 (2)	17,179.00	44,224.93	14	3,158.92	
2003	15,169.18	3,624 (2)	3,624.00	11,545.18	15	769.68	
2004	17,164.96	3,385 (2)	3,385.00	13,779.96	16	861.25	
2005	12,168.05	1,881 (2)	1,881.00	10,287.05	17	605.12	
2006	222,612.15	24,784 (2)	24,784.00	197,828.15	18	10,990.45	
2007	26,392.51	1,776 (2)	1,776.00	24,616.51	19	1,295.61	
2008	<u>56,883.78</u>	<u>1,286</u> (2)	<u>1,286.00</u>	<u>55,597.78</u>	<u>20</u>	<u>2,779.89</u>	
	932,731.72	333,196.00	379,231.17	553,500.55	4.39%	40,935.89	
Book Reserve			449,365.65				
Starting Point Depreciation Reserve			<u>379,231.17</u>				
Book/Amortization Starting Point Depr Reserve Varianc (Amortize over Amortization Period)			-70,134.48		20	<u>-3,506.72</u>	
Total Amortization Amount					4.01%	37,429.17	

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

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