

**MONTANA-DAKOTA UTILITIES CO.  
 AVERAGE UTILITY CAPITAL STRUCTURE  
 TWELVE MONTHS ENDING JUNE 30, 2012  
 PRO FORMA JUNE 30, 2013**

	<u>Balance</u>	<u>Ratio</u>	<u>Cost</u>	<u>Required Return</u>
<b><u>June 30, 2012</u></b>				
Long Term Debt	\$280,488,783	42.841%	6.845%	2.932%
Short Term Debt 1/	945,355	0.144%	25.799%	0.037%
Preferred Stock	15,450,000	2.360%	4.588%	0.108%
Common Equity	357,836,024	54.655%	10.500%	5.739%
Total	<u>\$654,720,162</u>	<u>100.000%</u>		<u>8.816%</u>
<b><u>Pro Forma June 30, 2013</u></b>				
Long Term Debt	\$280,481,271	37.700%	6.846%	2.581%
Short Term Debt 1/	70,893,500	9.529%	1.060%	0.101%
Preferred Stock	15,350,000	2.063%	4.583%	0.095%
Common Equity	377,253,567	50.708%	10.500%	5.324%
Total	<u>\$743,978,338</u>	<u>100.000%</u>		<u>8.101%</u>

1/ Reflects average monthly balance.