

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota
DSM Performance Target Financial Incentive
Summary of Programs and Incentive Threshold
2014 Program Year**

Program	Participants	South Dakota	
		Dk Saving	Budget
Residential			
Furnaces - 95+% AFUE - New	150	1,065	\$45,000
Furnaces - 95+% AFUE - Replacement	225	2,948	67,500
Water Heating (.67 EF)	35	126	3,500
Programmable Thermostats	150	435	3,000
Energy Audits 1/	50		25,000
Total	610	4,574	\$144,000
Commercial			
Furnaces - 95+% AFUE - New	1	12	\$300
Furnaces - 95+% AFUE - Replacement	10	230	\$3,000
Custom Efficiency	1	100	600
Administration & Promotion			17,000 2/
Total	12	342	\$20,900
Total	622	4,916	\$164,900
Incentive Range			
Minimum Incentive 3/			\$8,245
Incentive Cap 4/			24,137

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

2/ Reflects administration costs of \$7,500 and promotional costs of \$9,500 for 2014.

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

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

Docket No. NG12-008 Authorized ROR	7.600%
Inverse Tax Rate	64.9025%
Adjusted for taxes	11.710%

	<u>x% of Budget</u>
	0.50
Ceiling	1.25
	1.40