

**Montana-Dakota Utilites Co.
Gas Utility - South Dakota
Gas Conservation Tracking Adjustment Rate 90
Effective March 1, 2015**

	South Dakota
Balance @ December 31, 2013	\$85,804
2014 Activity 1/ Expenses 2/	\$84,936
2013 DSM Incentive	14,264
CTA Recovery	(146,456)
Interest	364
Total Activity	(\$46,892)
2014 DSM Incentive 3/	11,082
Under (Over) recovered balance @ December 31, 2014	\$49,994
Projected Activity - January-December 2015 Expenses 4/	\$138,000
Gas conservation costs to be recovered	\$187,994
Projected Volumes 5/	6,741,996
CTA Rate Effective March 1, 2015	\$0.028

1/ Exhibit 3, Page 2.

2/ Includes credit of \$23,294 pursuant to the Order in Docket No. NG14-004.

3/ Exhibit 4.

4/ Exhibit 5.

5/ Projected volumes for March 1, 2015 through February 29, 2016.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota
Conservation Monthly Account Balances
2014**

Month	Beginning Balance	Carrying Charge 1/	Current Month Charges	CTA Recovery	(Over)/Under Recovery
Beginning Balance 2/					\$85,804
January 2014	\$85,804	\$60	\$20,265	(\$17,244)	88,885
February	88,885	36	17,540	(13,817)	92,644
March	92,644	46	7,284	(15,527)	84,447
April	84,447	42	13,921	(10,490)	87,920
May	87,920	26	484	(6,032)	82,398
June	82,398	25	6,260	(3,583)	85,100
July	85,100	34	3,571 3/	(3,591)	85,114
August	85,114	26	4,203	(5,146)	84,197
September	84,197	25	2,210	(5,783)	80,649
October	80,649	16	5,005	(10,538)	75,132
November	75,132	15	3,957	(13,956)	65,148
December	65,148	13	14,500	(40,749)	38,912
Total		<u>\$364</u>	<u>\$99,200</u>	<u>(\$146,456)</u>	

1/ Reflects 90-day Treasury Bill rate.

2/ Docket No. N14-004, Exhibit No. 3, page 2.

3/ Includes DSM incentive amount of \$14,264 authorized in Docket No. NG14-004 and reflects credit of \$23,294 for adjustment in same docket.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota
Summary of Actual DSM Expenditures
2014**

	<u>Incentive</u>	<u>No. of Participants</u>	<u>Cost</u>
Residential			
High Efficiency Furnace - 95%+ (new)	\$300	69	\$20,700
High Efficiency Furnace - 95%+	300	237	71,100
High Efficiency Water Heater (.67+ EF)	100	32	3,200
Programmable Thermostats	20	187	3,740
Energy Audits	1/	1	400
Commercial & Industrial			
High Efficiency Furnace - 95%+ (new)	300	0	0
High Efficiency Furnace - 95%+ (replacement)	300	5	1,500
Custom	2/	0	0
Administrative Costs			5,048
DSM Incentive			14,264
Advertising			2,542
Total Black Hills		<u>531</u>	<u>\$122,494</u>

- 1/ Participating customers receive a home energy audit where the customer is responsible for \$50 of the energy audit cost.
- 2/ Rebate levels vary depending on energy efficiency measures implemented.