

**MONTANA-DAKOTA UTILITIES CO.  
 AVERAGE UTILITY CAPITAL STRUCTURE  
 TWELVE MONTHS ENDING DECEMBER 31, 2014  
 PRO FORMA**

	<u>Balance</u>	<u>Ratio</u>	<u>Cost</u>	<u>Required Return</u>
<b><u>2014</u></b>				
Long Term Debt	\$392,969,139	42.555%	5.870%	2.498%
Short Term Debt 1/	37,099,969	4.018%	1.213%	0.049%
Preferred Stock	15,308,600	1.658%	4.581%	0.076%
Common Equity	478,046,673	51.769%	10.000%	5.177%
Total	<u>\$923,424,381</u>	<u>100.000%</u>		<u>7.800%</u>
<b><u>Pro Forma</u></b>				
Long Term Debt	\$505,460,413	41.135%	5.949%	2.447%
Short Term Debt 1/	99,623,527	8.108%	1.631%	0.132%
Preferred Stock	15,258,600	1.242%	4.579%	0.057%
Common Equity	608,435,332	49.515%	10.000%	4.952%
Total	<u>\$1,228,777,872</u>	<u>100.000%</u>		<u>7.588%</u>

1/ Reflects average monthly balance.