

**MONTANA-DAKOTA UTILITIES CO.
 DIFFERENCE IN BOOK AND TAX DEPRECIATION
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014**

<u>Tax Depreciation</u>	
CIAC's - MACRS	(\$2,289,788)
Depreciation	130,079,347
Capitalized Interest Expense	(4,528,718)
Capitalized Tax Depreciation	(1,627,073)
Research and Development Deduction	2,312,363
Capitalized Property Taxes	0
Capitalized Pensions	0
Capitalized Vacation Pay	0
Capitalized Meals	0
Reversal of Intercompany Gain-Airplanes	(15)
Gain/Loss on Disposition of Property	1,744,355
Tax Repairs Deduction	<u>18,885,090</u>
 Total Tax Depreciation	 <u><u>\$144,575,561</u></u>
 <u>Book Depreciation</u>	
Depreciation and Amortization Expense	\$51,871,010
Gain/Loss on Disposition of Property	(1,206,379)
Allowance For Funds Used During Construction	<u>(5,714,404)</u>
 Total Book Depreciation	 <u><u>\$44,950,227</u></u>
 Total Company Book over Tax Depreciation	 <u><u>(\$99,625,334)</u></u>
 <u>Total Company Book over Tax Depreciation by Segment</u>	
Electric	(\$69,416,360)
MDU Gas	(27,309,052)
GPNG Gas	(2,145,068)
Common	(874,291)
Non-Utility	119,437
	<u><u>(\$99,625,334)</u></u>