

MONTANA-DAKOTA UTILITIES CO.  
GAS UTILITY -  
SOUTH DAKOTA  
EMBEDDED CLASS COST OF SERVICE STUDY  
ALLOCATION FACTOR REPORT  
TWELVE MONTHS ENDED DECEMBER 31, 2014

	Total South Dakota	Residential		
		Demand	Energy	Customer
1 Dk Throughput	8,168,710 100.000000%	0 0.000000%	3,607,260 44.159481%	0 0.000000%
2 Peak Day Design	78,294 100.000000%	42,529 54.319615%	0 0.000000%	0 0.000000%
3 Dk Sales	6,958,085 100.000000%	0 0.000000%	3,607,260 51.842713%	0 0.000000%
5 Peak Day Design @ Distribution	76,745 100.000000%	42,529 55.415987%	0 0.000000%	0 0.000000%
8 Average Customers	56,998 100.000000%	0 0.000000%	0 0.000000%	50,016 87.750448%
9 Average Customers @ Distribution	56,990 100.000000%	0 0.000000%	0 0.000000%	50,016 87.762765%
10 Total Weighted Customers	73,725 100.000000%	0 0.000000%	0 0.000000%	50,016 67.841301%
11 Average Res. & Firm General Cust.	56,963 100.000000%	0 0.000000%	0 0.000000%	50,016 87.804364%
12 Weighted Customers @ Distribution	73,340 100.000000%	0 0.000000%	0 0.000000%	50,016 68.197436%
13 Distribution Mains	41,732,078 100.000000%	17,001,528 40.739712%	0 0.000000%	9,156,307 21.940693%
15 Distribution Plant	76,871,702 100.000000%	18,167,051 23.632950%	0 0.000000%	34,477,772 44.851058%

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	Total South Dakota	Small Firm General			Large Firm General		
		Demand	Energy	Customer	Demand	Energy	Customer
1 Dk Throughput	8,168,710 100.000000%	0 0.000000%	669,013 8.189947%	0 0.000000%	0 0.000000%	2,281,656 27.931656%	0 0.000000%
2 Peak Day Design	78,294 100.000000%	8,671 11.074923%	0 0.000000%	0 0.000000%	22,681 28.969014%	0 0.000000%	0 0.000000%
3 Dk Sales	6,958,085 100.000000%	0 0.000000%	669,013 9.614901%	0 0.000000%	0 0.000000%	2,281,656 32.791436%	0 0.000000%
5 Peak Day Design @ Distribution	76,745 100.000000%	8,671 11.298456%	0 0.000000%	0 0.000000%	22,681 29.553717%	0 0.000000%	0 0.000000%
8 Average Customers	56,998 100.000000%	0 0.000000%	0 0.000000%	5,124 8.989789%	0 0.000000%	0 0.000000%	1,823 3.198358%
9 Average Customers @ Distribution	56,990 100.000000%	0 0.000000%	0 0.000000%	5,124 8.991051%	0 0.000000%	0 0.000000%	1,823 3.198807%
10 Total Weighted Customers	73,725 100.000000%	0 0.000000%	0 0.000000%	6,303 8.549339%	0 0.000000%	0 0.000000%	15,897 21.562564%
11 Average Res. & Firm General Cust.	56,963 100.000000%	0 0.000000%	0 0.000000%	5,124 8.995313%	0 0.000000%	0 0.000000%	1,823 3.200323%
12 Weighted Customers @ Distribution	73,340 100.000000%	0 0.000000%	0 0.000000%	6,303 8.594219%	0 0.000000%	0 0.000000%	15,897 21.675757%
13 Distribution Mains	41,732,078 100.000000%	3,466,347 8.306193%	0 0.000000%	938,038 2.247763%	9,067,029 21.726761%	0 0.000000%	333,732 0.799701%
15 Distribution Plant	76,871,702 100.000000%	3,745,711 4.872679%	0 0.000000%	3,937,238 5.121830%	9,688,610 12.603611%	0 0.000000%	4,599,443 5.983272%

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	Total South Dakota	Residential		
		Demand	Energy	Customer
16 Meters & Regulators	16,309,749 100.000000%	0 0.000000%	0 0.000000%	11,049,325 67.746751%
17 Structures & Improvements	180,926 100.000000%	73,709 40.739860%	0 0.000000%	39,696 21.940463%
18 Meas. & Reg. Sta. Eqpt.- General	813,913 100.000000%	314,584 38.650814%	0 0.000000%	169,422 20.815738%
19 Meas. & Reg. Sta. Eqpt.- City Gate	1,284,217 100.000000%	523,186 40.739688%	0 0.000000%	281,766 21.940684%
20 Service Regulators	1,803,135 100.000000%	0 0.000000%	0 0.000000%	1,207,850 66.986110%
21 Ind. Meas. & Reg. Sta. Eqpt.	64,195 100.000000%	26,153 40.739932%	0 0.000000%	14,085 21.940961%
22 Mains & Services	57,659,320 100.000000%	17,001,528 29.486175%	0 0.000000%	22,800,746 39.543904%
23 Pro Forma Distribution Plant	79,364,061 100.000000%	18,610,039 23.448950%	0 0.000000%	35,833,810 45.151179%
24 Net Gas Plant in Service	50,401,150 100.000000%	11,799,013 23.410205%	0 0.000000%	22,266,607 44.178768%
25 Total Gas Plant in Service	99,811,467 100.000000%	22,676,763 22.719596%	0 0.000000%	46,421,323 46.509008%
26 Pro Forma Operating Revenue	49,728,035 100.000000%	4,625,629 9.301854%	18,850,419 37.907024%	5,111,635 10.279182%

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	Total South Dakota	Small Firm General			Large Firm General		
		Demand	Energy	Customer	Demand	Energy	Customer
16 Meters & Regulators	16,309,749 100.000000%	0 0.000000%	0 0.000000%	1,397,384 8.567784%	0 0.000000%	0 0.000000%	3,516,635 21.561552%
17 Structures & Improvements	180,926 100.000000%	15,028 8.306158%	0 0.000000%	4,067 2.247880%	39,309 21.726562%	0 0.000000%	1,447 0.799774%
18 Meas. & Reg. Sta. Eqpt.- General	813,913 100.000000%	105,871 13.007656%	0 0.000000%	17,357 2.132538%	167,770 20.612768%	0 0.000000%	6,175 0.758681%
19 Meas. & Reg. Sta. Eqpt.- City Gate	1,284,217 100.000000%	106,670 8.306229%	0 0.000000%	28,866 2.247751%	279,019 21.726780%	0 0.000000%	10,270 0.799709%
20 Service Regulators	1,803,135 100.000000%	0 0.000000%	0 0.000000%	157,164 8.716153%	0 0.000000%	0 0.000000%	388,637 21.553406%
21 Ind. Meas. & Reg. Sta. Eqpt.	64,195 100.000000%	5,332 8.305943%	0 0.000000%	1,443 2.247839%	13,947 21.725991%	0 0.000000%	513 0.799128%
22 Mains & Services	57,659,320 100.000000%	3,466,347 6.011772%	0 0.000000%	2,475,547 4.293403%	9,067,029 15.725175%	0 0.000000%	1,059,930 1.838263%
23 Pro Forma Distribution Plant	79,364,061 100.000000%	3,836,029 4.833459%	0 0.000000%	4,091,971 5.155950%	9,924,858 12.505482%	0 0.000000%	4,754,384 5.990601%
24 Net Gas Plant in Service	50,401,150 100.000000%	2,441,046 4.843235%	0 0.000000%	2,554,386 5.068111%	6,292,496 12.484826%	0 0.000000%	3,520,249 6.984462%
25 Total Gas Plant in Service	99,811,467 100.000000%	4,675,530 4.684362%	0 0.000000%	5,261,379 5.271317%	12,093,671 12.116515%	0 0.000000%	5,864,565 5.875643%
26 Pro Forma Operating Revenue	49,728,035 100.000000%	943,093 1.896502%	3,115,140 6.264354%	654,591 1.316342%	2,466,878 4.960739%	11,373,647 22.871700%	711,973 1.431734%

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	Total South Dakota	Residential		
		Demand	Energy	Customer
27 All Other Dist. Operation Exp.	1,196,836 100.000000%	254,489 21.263481%	12,047 1.006571%	543,382 45.401543%
28 All Other Dist. Maintenance Exp.	456,862 100.000000%	81,205 17.774514%	0 0.000000%	228,612 50.039619%
29 Distribution O&M	4,180,310 100.000000%	859,595 20.562949%	33,629 0.804462%	1,936,853 46.332760%
30 O&M Excl. Cost of Gas and A&G	6,150,501 100.000000%	859,595 13.976016%	83,916 1.364377%	3,559,024 57.865594%
31 O&M Excl. Cost of Gas	9,773,672 100.000000%	1,365,970 13.976016%	133,350 1.364380%	5,655,594 57.865600%
33 Cost of Gas	32,640,945 100.000000%	4,625,628 14.171244%	12,558,047 38.473295%	0 0.000000%
35 Taxable Income	(5,257,556) 100.000000%	(4,203,162) 79.945168%	5,738,235 -109.142632%	(6,588,140) 125.308032%
37 Weighted Services @ Distribution	58,384 100.000000%	0 0.000000%	0 0.000000%	50,016 85.667306%
40 Total Tax Deductions & Adjustments	7,546,591 100.000000%	1,768,090 23.428990%	(5,903) -0.078221%	3,340,769 44.268584%
41 Total Pro Forma Plant	103,571,842 100.000000%	23,344,193 22.539131%	0 0.000000%	48,482,629 46.810627%

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	Total South Dakota	Small Firm General			Large Firm General		
		Demand	Energy	Customer	Demand	Energy	Customer
27 All Other Dist. Operation Exp.	1,196,836 100.000000%	52,825 4.413721%	2,234 0.186659%	62,897 5.255273%	135,719 11.339816%	7,619 0.636595%	86,548 7.231400%
28 All Other Dist. Maintenance Exp.	456,862 100.000000%	19,233 4.209805%	0 0.000000%	27,056 5.922138%	43,307 9.479230%	0 0.000000%	44,951 9.839076%
29 Distribution O&M	4,180,310 100.000000%	182,796 4.372786%	6,236 0.149176%	225,283 5.389146%	458,423 10.966244%	21,268 0.508766%	324,183 7.754999%
30 O&M Excl. Cost of Gas and A&G	6,150,501 100.000000%	182,796 2.972051%	15,563 0.253036%	393,214 6.393203%	458,423 7.453425%	53,076 0.862954%	404,131 6.570701%
31 O&M Excl. Cost of Gas	9,773,672 100.000000%	290,478 2.972046%	24,731 0.253037%	624,851 6.393206%	728,473 7.453422%	84,342 0.862951%	642,199 6.570703%
33 Cost of Gas	32,640,945 100.000000%	943,093 2.889294%	2,243,843 6.874320%	0 0.000000%	2,466,878 7.557618%	8,402,101 25.740986%	0 0.000000%
35 Taxable Income	(5,257,556) 100.000000%	(877,149) 16.683588%	684,271 -13.015002%	(663,623) 12.622272%	(2,241,569) 42.635190%	3,820,070 -72.658665%	(785,545) 14.941258%
37 Weighted Services @ Distribution	58,384 100.000000%	0 0.000000%	0 0.000000%	5,636 9.653330%	0 0.000000%	0 0.000000%	2,662 4.559468%
40 Total Tax Deductions & Adjustments	7,546,591 100.000000%	365,799 4.847208%	(1,055) -0.013980%	383,247 5.078412%	942,935 12.494847%	(3,949) -0.052328%	528,160 6.998657%
41 Total Pro Forma Plant	103,571,842 100.000000%	4,812,124 4.646170%	0 0.000000%	5,493,370 5.303922%	12,449,616 12.020271%	0 0.000000%	6,086,511 5.876608%

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	Total South Dakota	Small Interruptible			Large Interruptible		
		Demand	Energy	Customer	Demand	Energy	Customer
1 Dk Throughput	8,168,710 100.000000%	0 0.000000%	336,571 4.120247%	0 0.000000%	0 0.000000%	1,274,210 15.598669%	0 0.000000%
2 Peak Day Design	78,294 100.000000%	922 1.177613%	0 0.000000%	0 0.000000%	3,491 4.458835%	0 0.000000%	0 0.000000%
3 Dk Sales	6,958,085 100.000000%	0 0.000000%	21,860 0.314167%	0 0.000000%	0 0.000000%	378,296 5.436783%	0 0.000000%
5 Peak Day Design @ Distribution	76,745 100.000000%	701 0.913415%	0 0.000000%	0 0.000000%	2,163 2.818425%	0 0.000000%	0 0.000000%
8 Average Customers	56,998 100.000000%	0 0.000000%	0 0.000000%	25 0.043861%	0 0.000000%	0 0.000000%	10 0.017544%
9 Average Customers @ Distribution	56,990 100.000000%	0 0.000000%	0 0.000000%	21 0.036849%	0 0.000000%	0 0.000000%	6 0.010528%
10 Total Weighted Customers	73,725 100.000000%	0 0.000000%	0 0.000000%	908 1.231604%	0 0.000000%	0 0.000000%	601 0.815192%
11 Average Res. & Firm General Cust.	56,963 100.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%	0 0.000000%
12 Weighted Customers @ Distribution	73,340 100.000000%	0 0.000000%	0 0.000000%	763 1.040360%	0 0.000000%	0 0.000000%	361 0.492228%
13 Distribution Mains	41,732,078 100.000000%	368,582 0.883210%	0 0.000000%	3,844 0.009211%	1,395,573 3.344125%	0 0.000000%	1,098 0.002631%
15 Distribution Plant	76,871,702 100.000000%	393,849 0.512346%	0 0.000000%	220,620 0.286998%	1,491,246 1.939915%	0 0.000000%	150,162 0.195341%

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	Total South Dakota	Small Interruptible			Large Interruptible		
		Demand	Energy	Customer	Demand	Energy	Customer
16 Meters & Regulators	16,309,749 100.000000%	0 0.000000%	0 0.000000%	204,509 1.253906%	0 0.000000%	0 0.000000%	141,896 0.870007%
17 Structures & Improvements	180,926 100.000000%	1,598 0.883234%	0 0.000000%	17 0.009396%	6,050 3.343909%	0 0.000000%	5 0.002764%
18 Meas. & Reg. Sta. Eqpt.- General	813,913 100.000000%	6,820 0.837927%	0 0.000000%	71 0.008723%	25,823 3.172698%	0 0.000000%	20 0.002457%
19 Meas. & Reg. Sta. Eqpt.- City Gate	1,284,217 100.000000%	11,342 0.883184%	0 0.000000%	118 0.009188%	42,946 3.344139%	0 0.000000%	34 0.002648%
20 Service Regulators	1,803,135 100.000000%	0 0.000000%	0 0.000000%	25,845 1.433337%	0 0.000000%	0 0.000000%	23,639 1.310994%
21 Ind. Meas. & Reg. Sta. Eqpt.	64,195 100.000000%	567 0.883246%	0 0.000000%	6 0.009347%	2,147 3.344497%	0 0.000000%	2 0.003116%
22 Mains & Services	57,659,320 100.000000%	368,582 0.639241%	0 0.000000%	15,847 0.027484%	1,395,573 2.420377%	0 0.000000%	8,191 0.014206%
23 Pro Forma Distribution Plant	79,364,061 100.000000%	403,453 0.508357%	0 0.000000%	227,368 0.286487%	1,527,608 1.924811%	0 0.000000%	154,541 0.194724%
24 Net Gas Plant in Service	50,401,150 100.000000%	255,796 0.507520%	0 0.000000%	180,163 0.357458%	968,525 1.921633%	0 0.000000%	122,869 0.243782%
25 Total Gas Plant in Service	99,811,467 100.000000%	491,616 0.492545%	0 0.000000%	277,078 0.277601%	1,861,427 1.864943%	0 0.000000%	188,115 0.188470%
26 Pro Forma Operating Revenue	49,728,035 100.000000%	33,717 0.067803%	191,626 0.385348%	45,000 0.090492%	152,161 0.305986%	1,424,926 2.865438%	27,600 0.055502%



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	Total South Dakota	Small Interruptible			Large Interruptible		
		Demand	Energy	Customer	Demand	Energy	Customer
27 All Other Dist. Operation Exp.	1,196,836 100.000000%	5,517 0.460965%	1,124 0.093914%	4,366 0.364795%	20,889 1.745352%	4,255 0.355521%	2,925 0.244394%
28 All Other Dist. Maintenance Exp.	456,862 100.000000%	1,761 0.385456%	0 0.000000%	2,411 0.527730%	6,666 1.459084%	0 0.000000%	1,660 0.363348%
29 Distribution O&M	4,180,310 100.000000%	18,637 0.445828%	3,137 0.075042%	16,617 0.397506%	70,559 1.687889%	11,878 0.284142%	11,216 0.268305%
30 O&M Excl. Cost of Gas and A&G	6,150,501 100.000000%	18,637 0.303016%	3,442 0.055963%	18,609 0.302561%	70,559 1.147207%	17,152 0.278872%	12,364 0.201024%
31 O&M Excl. Cost of Gas	9,773,672 100.000000%	29,616 0.303018%	5,470 0.055967%	29,571 0.302558%	112,124 1.147204%	27,256 0.278872%	19,647 0.201020%
33 Cost of Gas	32,640,945 100.000000%	33,717 0.103297%	42,838 0.131240%	0 0.000000%	152,161 0.466166%	1,172,639 3.592540%	0 0.000000%
35 Taxable Income	(5,257,556) 100.000000%	(89,931) 1.710510%	119,562 -2.274098%	(23,453) 0.446082%	(340,937) 6.484705%	211,884 -4.030085%	(18,069) 0.343677%
37 Weighted Services @ Distribution	58,384 100.000000%	0 0.000000%	0 0.000000%	44 0.075363%	0 0.000000%	0 0.000000%	26 0.044533%
40 Total Tax Deductions & Adjustments	7,546,591 100.000000%	38,363 0.508349%	(20) -0.000265%	27,031 0.358188%	145,240 1.924578%	(551) -0.007301%	18,435 0.244282%
41 Total Pro Forma Plant	103,571,842 100.000000%	506,087 0.488634%	0 0.000000%	286,693 0.276806%	1,916,214 1.850130%	0 0.000000%	194,405 0.187701%