

**Montana-Dakota Utilities Co.**  
**Gas Utility - South Dakota**  
**DSM Estimated Performance Target Financial Incentive**  
**Summary of Programs and Incentive Threshold**  
**2018 - 2020 Program Years**

Program	2018 Budget	2019 Budget	2020 Budget
<b>Residential</b>			
Furnaces - 95+% AFUE - New	\$60,000	\$63,000	\$66,000
Furnaces - 95+% AFUE - Replacement	87,000	90,000	93,000
Programmable Thermostats - Tier 1	1,650	1,500	1,350
Programmable Thermostats - Tier 2	6,600	7,800	9,000
Energy Audits	22,500	22,500	22,500
<b>Total</b>	<b>\$177,750</b>	<b>\$184,800</b>	<b>\$191,850</b>
<b>Commercial</b>			
Furnaces - 95+% AFUE - New	\$1,500	\$1,500	\$1,500
Furnaces - 95+% AFUE - Replacement	4,500	4,800	5,100
Custom Efficiency	3,000	3,000	3,000
<b>Total</b>	<b>\$9,000</b>	<b>\$9,300</b>	<b>\$9,600</b>
Administration & Promotion	\$14,000	\$14,500	\$15,000
<b>Total Budget</b>	<b>\$200,750</b>	<b>\$208,600</b>	<b>\$216,450</b>
<b>Incentive Range</b>			
Minimum Incentive 1/	\$10,038	\$10,430	\$10,823
Incentive Cap 2/	19,525	20,288	21,052

1/ 5% of budget as established in Docket No. NG09-001.

2/ Authorized return adjusted for taxes at 100% of budget as established in Docket No. NG15-005.

Return Adjusted for taxes                      9.726%