

**MONTANA-DAKOTA UTILITIES CO.
OPERATION & MAINTENANCE EXPENSE
GAS UTILITY - SOUTH DAKOTA
TWELVE MONTHS ENDING DECEMBER 31, 2022
PRO FORMA**

Function	Total	Cost of Gas	Labor	Benefits	Vehicles & Work Equipment	Subcontract Labor	Materials	Software Maintenance	Company Consumption	Uncollectible Accounts
Cost of Gas	\$46,787,331	\$46,787,331								
Other Gas Supply	121,092		\$86,638		\$2					
Distribution	6,959,551		4,190,480		1,033,660	1,598,144	\$481,190	2,876	\$145,487	\$9,184
Customer Accounting	1,607,714		878,220		82,162	42,365	25	27,532	1,416	265,199
Customer Service & Information	190,722		124,948		17,497	823				
Sales	83,615		72,603		8,931					
Administrative and General	5,559,930		1,708,336	\$1,349,539	32,887	167,491	9,223	585,370	31,033	
Total Other O&M	14,522,624	0	7,061,225	1,349,539	1,175,139	1,808,823	490,438	615,778	177,936	274,383
Total O&M	\$61,309,955	\$46,787,331	\$7,061,225	\$1,349,539	\$1,175,139	\$1,808,823	\$490,438	\$615,778	\$177,936	\$274,383
Adjustment No.		4	5	6	7	8	9	10	11	12
Page No.		3	4-6	7-8	9	10	11	12	13	14

**MONTANA-DAKOTA UTILITIES CO.
OPERATION & MAINTENANCE EXPENSE
GAS UTILITY - SOUTH DAKOTA
TWELVE MONTHS ENDING DECEMBER 31, 2022
PRO FORMA**

<u>Function</u>	<u>Postage</u>	<u>Advertising</u>	<u>Insurance</u>	<u>Industry Dues</u>	<u>Regulatory Commission Expense</u>	<u>Office Supplies</u>	<u>Easements</u>	<u>All Other O&M</u>
Cost of Gas								
Other Gas Supply						\$54		\$34,398
Distribution	\$4,574					8,741	\$5,971	(520,756)
Customer Accounting	227,311					26,255		57,229
Customer Service & Information	2	\$29,297				45		18,110
Sales						369		1,712
Administrative and General	26,811	9,158	\$492,060	\$93,032	\$125,132	74,063	662	855,133
Total Other O&M	<u>\$258,698</u>	<u>\$38,455</u>	<u>492,060</u>	<u>93,032</u>	<u>125,132</u>	<u>109,527</u>	<u>6,633</u>	<u>445,826</u>
Total O&M	<u>\$258,698</u>	<u>\$38,455</u>	<u>\$492,060</u>	<u>\$93,032</u>	<u>\$125,132</u>	<u>\$109,527</u>	<u>\$6,633</u>	<u>\$445,826</u>
Adjustment No.	13	14	15	16	17	18	19	20
Page No.	15	16	17	18-19	20	21	22	23

**MONTANA-DAKOTA UTILITIES CO.
 COST OF GAS
 GAS UTILITY - SOUTH DAKOTA
 ADJUSTMENT NO. 4**

	Pro Forma Dk Sales 1/	Commodity Charge 2/	Pro Forma Cost of Gas
Residential	<u>3,803,810</u>	<u>\$6.412</u>	<u>\$24,390,030</u>
Firm General Service	3,209,242	6.412	20,577,660
Small Interruptible	27,935	4.445	124,171
Large Interruptible	<u>381,433</u>	4.445	<u>1,695,470</u>
Total	<u><u>7,422,420</u></u>		<u><u>\$46,787,331</u></u>
Per Books Cost of Gas			<u>56,883,532</u>
Pro Forma Adjustment			<u><u>(\$10,096,201)</u></u>

1/ Rule 20:10:13:85, Statement I, page 2.

2/ March 2023 PGA adjusted to reflect annual commodity costs. Please see
 Workpaper Statement H, pages 1 and 2.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 LABOR EXPENSE
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 5**

	Per Books	Pro Forma 1/	Pro Forma Adjustment
Other Gas Supply	\$76,170	\$86,638	\$10,468
Distribution	3,743,246	4,190,480	447,234
Customer Accounting	775,560	878,220	102,660
Customer Service	117,954	124,948	6,994
Sales	63,893	72,603	8,710
A&G	1,623,357	1,708,336	84,979
Total	<u>\$6,400,180</u>	<u>\$7,061,225</u>	<u>\$661,045</u>

	Per Books 2022	Pro Forma 2023 1/	Pro Forma Adjustment
5110 Straight Time 2/	\$5,450,836	\$5,658,398	\$207,562
5120 Premium Time 2/	378,870	393,872	15,002
5130 Bonuses & Comm. 3/	225,722	225,722	0
5131 Incentive Comp. 4/	264,932	700,504	435,572
5140 Moving Allowance 3/	3,361	3,361	0
5150 Meals 3/	635	635	0
5193 Vacation 2/	75,824	78,733	2,909
	<u>\$6,400,180</u>	<u>\$7,061,225</u>	<u>\$661,045</u>

- 1/ Pro forma 2023 values reflect the removal of labor reported for the South Dakota Gas Conservation Rebate Program costs. See Rule 20:10:13:81, Statement H, Schedule H-1 page 5.
- 2/ Reflects a 3.96% increase for 2023 based on the weighted average increases of 3.0% for union employees and 4.5% for non-union as shown on Rule 20:10:13:81, Statement H, Schedule H-1, page 6.
- 3/ Adjusted to reflect ongoing stock compensation, miscellaneous bonuses, moving allowance and meals.
- 4/ Reflects an average incentive level of 12.21% applied to straight time and vacation. See Rule 20:10:13:81, Statement H, Schedule H-1 page 6.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 LABOR EXPENSE SUPPORT WORKPAPER
 PER BOOKS 2022 & PRO FORMA 2023**

	2022 Total Per Books	Per Books Conservation Labor	Adjusted 2022 Per Books Total	Pro Forma Labor Expense 1/
Other Gas Supply				
Straight Time	\$73,248		\$73,248	\$76,149
Premium Time	138		138	143
Incentive Compensation	1,886		1,886	9,412
Vacation/Other Non-Prod.	898		898	934
Fuel & Purchased Power Total	\$76,170	\$0	\$76,170	\$86,638
Distribution				
Straight Time	\$3,212,547		\$3,212,547	\$3,339,764
Premium Time	359,980		359,980	374,235
Bonuses & Commissions	14,213		14,213	14,213
Incentive Compensation	109,294		109,294	413,327
Moving Allowance	2,959		2,959	2,959
Taxable Meals	597		597	597
Vacation/Other Non-Prod.	43,656		43,656	45,385
Distribution Total	\$3,743,246	\$0	\$3,743,246	\$4,190,480
Customer Accounts				
Straight Time	\$724,660		\$724,660	\$753,357
Premium Time	16,751		16,751	17,414
Bonuses & Commissions	4,768		4,768	4,768
Incentive Compensation	20,183		20,183	93,127
Moving Allowance	200		200	200
Taxable Meals	2		2	2
Vacation/Other Non-Prod.	8,996		8,996	9,352
Customer Accounts Total	\$775,560	\$0	\$775,560	\$878,220
Customer Service				
Straight Time	\$113,396	\$7,977	\$105,419	\$109,594
Bonuses & Commissions	421		421	421
Incentive Compensation	2,717	490	2,227	13,550
Vacation/Other Non-Prod.	1,420	90	1,330	1,383
Customer Service Total	\$117,954	\$8,557	\$109,397	\$124,948
Sales				
Straight Time	\$61,112		\$61,112	\$63,532
Bonuses & Commissions	421		421	421
Incentive Compensation	1,594		1,594	7,854
Vacation/Other Non-Prod.	766		766	796
Sales Total	\$63,893	\$0	\$63,893	\$72,603
A&G				
Straight Time	\$1,265,873		\$1,265,873	\$1,316,002
Premium Time	2,001		2,001	2,080
Bonuses & Commissions	205,899		205,899	205,899
Incentive Compensation	129,258		129,258	163,234
Moving Allowance	202		202	202
Taxable Meals	36		36	36
Vacation/Other Non-Prod.	20,088		20,088	20,883
A&G Total	\$1,623,357	\$0	\$1,623,357	\$1,708,336
	\$6,400,180	\$8,557	\$6,391,623	\$7,061,225
Straight Time	\$5,450,836	\$7,977	\$5,442,859	\$5,658,398
Premium Time	378,870	0	378,870	393,872
Bonuses & Commissions	225,722	0	225,722	225,722
Incentive Compensation	264,932	490	264,442	700,504
Moving Allowance	3,361	0	3,361	3,361
Taxable Meals	635	0	635	635
Vacation/Other Non-Prod.	75,824	90	75,734	78,733
	\$6,400,180	\$8,557	\$6,391,623	\$7,061,225

1/ Pro Forma Straight Time, Premium Time, and Vacation/Other Non-Productive time is increased 3.96%. Bonus & Commissions and Taxable Meals projected period will reflect the adjusted per books 2022 costs. Incentive Compensation reflects the average incentive level of 12.21% of Pro Forma Straight Time and Vacation/Other Non-Productive time.

**MONTANA-DAKOTA UTILITIES CO.
 INCENTIVE PERCENTAGE CALCULATION AND
 LABOR INFLATION CALCULATION**

Class	Salary	1/1/2023 Target	Payout
IBEW	\$28,261,086.61	4.5%	\$1,271,748.90
Non-Exempt:			
30	\$0.00	6.0%	\$0.00
31	1,758,869.58	6.0%	105,532.17
32	1,564,077.80	6.0%	93,844.67
33	4,037,263.71	6.0%	242,235.82
34	2,287,226.45	6.0%	137,233.59
35	1,669,602.40	6.0%	100,176.14
36	1,502,684.47	6.0%	90,161.07
38	0.00	10.0%	0.00
39	0.00	10.0%	0.00
Exempt:			
34	\$2,630,488.30	8.0%	\$210,439.06
35	6,683,787.23	8.0%	534,702.98
36	8,639,875.89	8.0%	691,190.07
37	11,453,040.35	8.0%	916,243.23
38	8,979,369.74	10.0%	897,936.97
39	11,442,683.01	10.0%	1,144,268.30
40	3,711,386.11	15.0%	556,707.92
41	1,661,088.06	20.0%	332,217.61
42	5,499,956.65	30.0%	1,649,987.00
Executive:			
E	\$1,173,000.00	35.0%	\$410,550.00
F	1,157,000.00	40.0%	462,800.00
G	661,000.00	45.0%	297,450.00
H	1,128,000.00	50.0%	564,000.00
I	0.00	60.0%	0.00
J	1,585,000.00	75.0%	1,188,750.00
K	1,085,000.00	125.0%	1,356,250.00
Total 5131 Incentive	<u>\$108,571,486.36</u>		<u>\$13,254,425.50</u>

Total 5131 - Incentive at Potential 12.21%

Pro Forma Labor Increase:

	Total Wages	% of Total	2023 % Increase	2023 Weighted Increase
Union Wages	\$33,924,328	36.08672%	3.00%	1.08%
Non-Union Wages	60,083,452	63.91328%	4.50%	2.88%
Total Wages Paid	\$94,007,780	100.00000%		3.96%

**MONTANA-DAKOTA UTILITIES CO.
 BENEFITS EXPENSE
 GAS UTILITY - SOUTH DAKOTA
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 6**

	Per Books	Pro Forma 1/		Pro Forma Adjustment
Medical/Dental	\$855,548	\$963,895	2/	\$108,347
Pension expense	(64,817)	16,632	3/	81,449
Post-retirement	(216,206)	(252,766)	3/	(36,560)
401-K	563,031	584,664	4/	21,633
Workers compensation	25,886	26,898	4/	1,012
Other benefits	9,845	10,216	4/	371
Total	<u>\$1,173,287</u>	<u>\$1,349,539</u>		<u>\$176,252</u>

- 1/ Pro Forma values reflect the removal of benefits associated with the South Dakota Gas Conservation Rebate program costs. The projected balances also include benefits for additional employees. See Rule 20:10:13:81, Statement H, Schedule H-1, page 8.
- 2/ Pro Forma increase of 13% based on expected premium increase for 2023. See Rule 20:10:13:81, Statement H, Schedule H-1, page 8.
- 3/ Pro Forma based on 2023 actuarial expense increase of 125.66% for Pension and decrease of 16.91% for Post Retirement. See Rule 20:10:13:81, Statement H, Schedule H-1, page 8.
- 4/ Pro Forma reflects the straight time labor increase of 3.96%. See Rule 20:10:13:81, Statement H, Schedule H-1, page 8.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 BENEFITS EXPENSE SUPPORT WORKPAPER**

	2022 Per Books	Per Books Conservation Benefits	2022 Adjusted Per Books	Pro Forma 2023	
Medical/Dental	\$855,548	(\$2,544)	\$853,004	\$963,895	1/
Pension expense	(64,817)		(64,817)	16,632	2/
Post-retirement	(216,206)		(216,206)	(252,766)	3/
401 K	563,031	(638)	562,393	584,664	4/
Workers compensation	25,886	(13)	25,873	26,898	4/
Other benefits	9,845	(18)	9,827	10,216	4/
Total Benefits Expense	<u>\$1,173,287</u>	<u>(\$3,213)</u>	<u>\$1,170,074</u>	<u>\$1,349,539</u>	

1/ Medical/Dental percentage increase based on actual 2023 medical premium increase: 13.00%

2/ Total Company pension expense based on the 2023 actuarial estimate.

	Per Books 2022	Actuarial Estimate 2023
Bargaining	(\$344,911)	\$53,192
Non-Bargaining	(469,776)	155,841
Total	<u>(\$814,687)</u>	<u>\$209,033</u>
	Increase	125.66%

3/ Total Company post-retirement expense based on the 2023 actuarial estimate.

	Per Books 2022	Actuarial Estimate 2023
Total	<u>(\$2,793,707)</u>	<u>(\$3,266,146)</u>
	Decrease	-16.91%

4/ Adjusted based on the straight time labor increase percentage: 3.96%

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 VEHICLES AND WORK EQUIPMENT
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 7**

	<u>Per Books South Dakota</u>	<u>Pro Forma South Dakota 1/</u>	<u>Pro Forma Adjustment</u>
Other Gas Supply	\$2	\$2	\$0
Distribution	372,064	1,033,660 2/	661,596
Customer Accounting	29,586	82,162	52,576
Customer Service	6,290	17,497	11,207
Sales	3,215	8,931	5,716
A&G	11,827	32,887	21,060
Total	<u>\$422,984</u>	<u>\$1,175,139</u>	<u>\$752,155</u>

1/ Based on pro forma plant and projected depreciation rates as shown in Workpaper Statement H, page 10.

2/ Increase primarily due to proposed depreciation rate change for Power Operated Equipment.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 SUBCONTRACT LABOR
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 8**

	<u>Per Books</u>	<u>Pro Forma</u>	<u>Pro Forma Adjustment</u>
Distribution	\$1,385,783	\$1,598,144 1/	\$212,361
Customer Accounting	42,365	42,365	0
Customer Service	823	823	0
A&G	167,491	167,491	0
Total	<u>\$1,596,462</u>	<u>\$1,808,823</u>	<u>\$212,361</u>

1/ Increase for line locating and leak survey.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 MATERIALS
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 9**

	<u>Per Books</u>	<u>Pro Forma</u>	<u>Pro Forma Adjustment</u>
Distribution	\$439,845	\$481,190 1/	\$41,345
Customer Accounting	25	25	0
A&G	9,223	9,223	0
Total	<u>\$449,093</u>	<u>\$490,438</u>	<u>\$41,345</u>

1/ Reflects a 9.4% increase in electric distribution materials as shown in Workpaper Statement H, page 14.

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
SOFTWARE MAINTENANCE
TWELVE MONTHS ENDING DECEMBER 31, 2022
ADJUSTMENT NO. 10**

	<u>Per Books</u>	<u>Pro Forma 1/</u>	<u>Pro Forma Adjustment</u>
Distribution	\$6,950	\$2,876	(\$4,074)
Customer Accounting	9,574	27,532	17,958
A&G	549,058	585,370	36,312
Total	<u>\$565,582</u>	<u>\$615,778</u>	<u>\$50,196</u>

1/ Pro Forma based on 3 year average. See Statement
Workpaper H, pages 15 through 19.

**MONTANA-DAKOTA UTILITIES CO.
 COMPANY CONSUMPTION
 GAS UTILITY - SOUTH DAKOTA
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 11**

	<u>Per Books</u> <u>South Dakota</u>	<u>Pro Forma</u>	<u>Pro Forma</u> <u>Adjustment</u>
<u>Total</u>			
Distribution	\$153,679	\$145,487	(\$8,192)
Customer Accounting	\$1,416	\$1,416	0
A&G	32,158	31,033	(1,125)
Total	<u>\$187,253</u>	<u>\$177,936</u>	<u>(\$9,317)</u>
<u>Utilities</u>			
Distribution	\$64,086	\$64,086	\$0
Customer Accounting	1,416	1,416	0
A&G	1,656	1,656	0
Total Electric	<u>\$67,158</u>	<u>\$67,158</u>	<u>\$0</u>
<u>Electric</u>			
Distribution	\$19,635	\$19,635	\$0
A&G	20,898	20,898	0
Total Electric	<u>\$40,533</u>	<u>\$40,533</u>	<u>\$0</u>
<u>Gas 1/</u>			
Distribution	\$69,958	\$61,766	(\$8,192)
A&G	9,604	\$8,479	(1,125)
Total Gas	<u>\$79,562</u>	<u>\$70,245</u>	<u>(\$9,317)</u>

1/ Reflects an 11.71% decrease to reflect normalized firm sales revenue at current rates.
 Firm General Per Books to Pro Forma reflects a decrease of 11.71% on
 Statement I, page 1.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 UNCOLLECTIBLE ACCOUNTS
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 12**

	Per Books	Pro Forma	
	2022	2023 1/	Adjustment
Distribution	\$10,540	\$9,184	(\$1,356)
Customer Accounting	304,346	\$265,199	(39,147)
Total	\$314,886	\$274,383	(\$40,503)

1/ Based on five year average of write-offs to revenues applied to pro forma revenues.

	2023
Total Pro Forma Sales Revenue	\$70,354,786
Five-Year Average Write-Offs	0.39%
	\$274,384

	Net Write Offs	Sales Revenue	% Write Off to Revenue
12 Months Ending:			
12/31/2018	\$227,766	\$52,286,946	0.44%
12/31/2019	219,356	52,744,837	0.42%
12/31/2020	125,169	45,977,222	0.27%
12/31/2021	270,842	52,488,919	0.52%
12/31/2022	253,461	74,568,331	0.34%
Total	\$1,096,594	\$278,066,255	0.39%

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
POSTAGE
TWELVE MONTHS ENDING DECEMBER 31, 2022
ADJUSTMENT NO. 13

	<u>Per Books</u>	<u>Pro Forma</u>	<u>Pro Forma Adjustment</u>
Distribution	\$4,574	\$4,574	\$0
Customer Accounting	202,943	227,311 1/	24,368
Customer Service & Information	2	2	0
A&G	26,811	26,811	0
Total	<u>\$234,330</u>	<u>\$258,698</u>	<u>\$24,368</u>

1/ Reflects an 13.18% increase based on the Pro Forma weighted average increase, partially offset by electronic billing savings for the twelve months ending December 31, 2022. This is shown on Workpaper Statement H, page 23.

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
ADVERTISING
TWELVE MONTHS ENDING DECEMBER 31, 2022
ADJUSTMENT NO. 14

	<u>Per Books</u>	<u>Pro Forma 1/</u>	<u>Pro Forma Adjustment</u>
Customer Accounting	\$73	\$0	(\$73)
Customer Service & Information	36,933	29,297	(7,636)
Sales	24,824	0	(24,824)
A&G	15,541	9,158	(6,383)
Total	<u>\$77,371</u>	<u>\$38,455</u>	<u>(\$38,916)</u>

	<u>Per Books</u>	<u>Eliminated 1/</u>	<u>Conservation Program 2/</u>	<u>Pro Forma Adjustment</u>
Customer Accounting	\$73	(\$73)	\$0	\$0
Customer Service & Information	36,933	(2,258)	(5,378)	29,297
Sales	24,824	(24,824)	0	0
A&G	15,541	(6,383)	0	9,158
Total	<u>\$77,371</u>	<u>(\$33,538)</u>	<u>(\$5,378)</u>	<u>\$38,455</u>

1/ Eliminates promotional advertising expense and advertising expenses not applicable to South Dakota gas operations. See Statement Workpaper H, page 26.

2/ Eliminates informational advertising costs associated with the South Dakota Gas Conservation Rebate Program costs. See Statement Workpaper H, page 30.

**MONTANA-DAKOTA UTILITIES CO.
 GAS UTILITY - SOUTH DAKOTA
 INSURANCE EXPENSE
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 15**

<u>A&G Expense for Insurance</u>	<u>Per Books</u>	<u>Pro Forma 1/</u>	<u>Pro Forma Adjustment</u>
Directors & Officer's Liability Insurance	\$40,115	\$37,355	(\$2,760)
General Liability:			
Fiduciary Liability	5,966	6,233	267
Employment Liability	2,268	2,612	344
Excess/Third Party Liability	251,519	248,329	(3,190)
Property - All Risk	108,353	136,195	27,842
Blanket Crime	1,454	1,471	17
Special Contingency	135	142	7
Self Insurance	12,530	59,723	47,193
Total	<u>\$422,340</u>	<u>\$492,060</u>	<u>\$69,720</u>

1/ Adjusted to reflect insurance expense at current levels. See Workpaper Statement H, page 32.

MONTANA-DAKOTA UTILITIES CO.
 INDUSTRY DUES
 GAS UTILITY - SOUTH DAKOTA
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 16

	<u>Per Books</u>	<u>Pro Forma</u>	<u>Pro Forma Adjustment</u>	<u>Benefit to Ratepayer</u>		
American Gas Association	\$21,766	\$22,998	1/	\$1,232	Educates the public about the importance of natural gas and supports gas utilities in their efforts to make their operations safer, more efficient, and environmentally-friendly.	
Belle Fourche Chamber of Commerce	600	600	1/	0	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.	
Belle Fourche Development Corp	1,000	1,000		0	Developed a leadership program, works with state, regional, and local programs to further workforce development, and assists with local new business development and expansions of existing business.	
Black Hills & Badlands Tourism	313	329	1/	16	Supports communities by investing in local business, supporting volunteer organizations, and contributing to the growth and vitality of the region.	
Black Hills Home Builders Association	475	475		0	Offers education and training programs, extensive economic analysis and research, and communicates policy's to the public. Offers incentives to consumers to upgrade their existing homes to improve energy efficiency.	
Common Ground Alliance (CGA)	172	172		0	Committed to saving lives and preventing damage to North American underground infrastructure by promoting effective damage prevention practices.	
Construction Industry Center	425	425		0	Supports and opposes legislation, serves various levels of the government and the community with special or standing committees. Offers Insurance programs, scholarship opportunities, and safety videos and materials.	
Deadwood Chamber of Commerce	600	600	1/	0	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.	
Elevate Rapid City	50,000	50,000		0	Committed to promoting business and personal advancement through a targeted spotlight on jobs, infrastructure, and overall quality of life in and around the Black Hills region and the Rapid City metro area.	
Energy Solutions Center	1,453	1,460	1/	7	Promotes energy efficient natural gas solutions and systems for use by residential, commercial, and industrial energy users. The Center creates educational and marketing materials, training manuals, and decision analysis software to enhance the success of those utility customer service professionals responsible for enhancing customer productivity, efficiency, reliability, and comfort.	
Fort Pierre Development Corporation	0	3/	500	1/	500	Promotes business growth and retention, tourism, and quality of life in Fort Pierre and Stanley County.
Governor's Office of Economic Development	659	0	2/	(659)	N/A	
Ipswich Commercial Club	18	18		0	Promotes a strong local economy and business climate and provides education on workforce issues.	
Lead Area Chamber of Commerce	333	333		0	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.	
Linton Chamber of Commerce	25	25		0	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.	
Midwest Energy Association, Inc.	4,386	4,386		0	Provides leading education to natural gas and electric delivery personnel. Cost-effective means of getting your personnel trained, connected, and educated in the ever-demanding and ever-changing energy industry.	

1/ Pro Forma reflects actual amounts for those invoices that have been received as of March 1, 2023.

2/ Inadvertently recorded as Industry Dues. Reclassified to Advertising.

3/ Paid membership in previous year.

MONTANA-DAKOTA UTILITIES CO.
 INDUSTRY DUES
 GAS UTILITY - SOUTH DAKOTA
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 16

	Per Books	Pro Forma	Pro Forma Adjustment	Benefit to Ratepayer
Mobridge Chamber of Commerce	315	315 1/	0	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.
Mobridge Rotary Club	113	113	0	Exchange ideas, develop plans, and hear from the community to address the world's most pressing problems.
North Dakota Petroleum Council	0 3/	54 1/	54	Promotes opportunities for open discussion, lawful interchange of information, and education concerning the petroleum industry.
North Dakota Safety Council	106	106	0	Provides resources and safety training programs. Supports a safe workplace.
Pierre Area Chamber of Commerce	1,798 5/	945	(853)	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.
Pierre Economic Dev. Corporation	0 3/	1,000 1/	1,000	Helps economic growth in the Pierre Area, SD with aim to increase economic activity, employment, tax base, and opportunities.
Spearfish Chamber of Commerce	780	780	0	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.
Spearfish Economic Dev.	2,000	2,000	0	Helps economic growth in Spearfish County, SD with aim to increase economic activity, employment, tax base, and opportunities.
Sturgis Area Chamber of Commerce	675	675 1/	0	Chambers of Commerce provide value to the city assuring they continue to thrive and grow. They provide assistance for new customers, new homeowners, renters in finding a utility, and they support and serve the communities.
Utility Solid Waste Activities Group	1,137	1,185 1/	48	Utility environmental regulatory compliance and policy trade organization focused on solid and hazardous waste, CCR, PCBs, spills response, DOT hazmat, CERCLA, PGAS, low volume waste, and other environmental issues.
Utility Telecom Council (UTC)	486	587 1/	101	Gives voice to the utility workforce who create and maintain critical communications systems that help keep the lights on and the water flowing. Serves as the source and resource to deploy technologies and solutions that deliver secure, reliable, and affordable services. Gives access to a telecom/IT/technology market and access to legal, regulatory, research, and standards experts.
West Associates	90	90 1/	0	Has small forum and candid discussions were members can collaborate on environmental compliance matters, emissions regulations, transmission permitting, and natural resources.
Western Energy Institute	1,861	1,861	0	Group was assembled for western utilities and focuses on the unique challenges that are faced such as the amount of federal and tribal land present and the unique hydrogeological features in our service territories.
Other	1,592	0	(1,592) 4/	Facilitates valuable, direct connections between electric and natural gas industry professionals. Provides access to education, collaboration, and training opportunities.
Total Industry Dues	<u>\$93,178</u>	<u>\$93,032</u>	<u>(\$146)</u>	

1/ Pro Forma reflects actual amounts for those invoices that have been received as of March 1, 2023.
 2/ Inadvertently recorded as Industry Dues. Reclassified to Advertising.
 3/ Paid membership in previous year.
 4/ Eliminated. Dues not applicable to South Dakota gas operations.
 5/ Includes two years of membership.

**MONTANA-DAKOTA UTILITIES CO.
REGULATORY COMMISSION EXPENSE
GAS UTILITY - SOUTH DAKOTA
TWELVE MONTHS ENDING DECEMBER 31, 2022
ADJUSTMENT NO. 17**

	<u>Per Books</u>	<u>Pro Forma</u>	<u>Pro Forma Adjustment</u>
Rate Case Expense 1/	\$0	\$122,507	\$122,507
Recurring Level of Expense 2/	0	230	230
Depreciation Study Expense 3/	0	2,395	2,395
Regulatory Commission Expense	<u>\$0</u>	<u>\$125,132</u>	<u>\$125,132</u>

- 1/ Reflects a five year amortization of rate case expenses.
2/ Reflects a three year average of regulatory expenses.
3/ Expenses related to depreciation studies amortized over five years.

**MONTANA-DAKOTA UTILITIES CO.
 OFFICE SUPPLIES EXPENSE
 GAS UTILITY - SOUTH DAKOTA
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 18**

	Per Books <u>2022</u>	<u>Pro Forma</u>	<u>Pro Forma Adjustment</u>
Other Gas Supply	\$7	\$54	\$47
Distribution	11,606	8,741	(2,865)
Customer Accounts	28,795	26,255	(2,540)
Customer Service	12	45	33
Sales	81	369	288
A&G	66,880	74,063	7,183
Total	<u>\$107,381</u>	<u>\$109,527</u>	<u>\$2,146</u>

	Per Books <u>2022</u>	<u>Normalizing Adjustment 1/</u>	<u>Normalized Adjusted 2022</u>
Other Gas Supply	\$7	\$47	\$54
Distribution	11,606	(2,865)	8,741
Customer Accounts	28,795	(2,540)	26,255
Customer Service	12	33	45
Sales	81	288	369
A&G	66,880	7,183	74,063
Total	<u>\$107,381</u>	<u>\$2,146</u>	<u>\$109,527</u>

1/ Normalizing Adjustment to reflect 2018 - 2022 average costs, as shown in Workpaper Statement H, page 48.

**MONTANA-DAKOTA UTILITIES CO.
 ANNUAL EASEMENTS
 GAS UTILITY - SOUTH DAKOTA
 TWELVE MONTHS ENDING DECEMBER 31, 2022
 ADJUSTMENT NO. 19**

	<u>South Dakota</u>		<u>Pro Forma</u>
	<u>Per Books</u>	<u>Pro Forma</u>	<u>1/ Adjustment</u>
Distribution	\$1,597	\$5,971	\$4,374
A&G	0	662	662
Total	<u>\$1,597</u>	<u>\$6,633</u>	<u>\$5,036</u>

1/ Includes Radio Tower leases in support of the new 2-way radio replacement project.

MONTANA-DAKOTA UTILITIES CO.
OTHER O&M
GAS UTILITY - SOUTH DAKOTA
TWELVE MONTHS ENDING DECEMBER 31, 2022
ADJUSTMENT NO. 20

<u>Function</u>	<u>Per Books Other O&M</u>	<u>Items Adjusted Individually</u>	<u>Other O&M</u>	<u>Per Books Conservation 1/</u>	<u>Pro Forma O&M 1/</u>	<u>Pro Forma Adjustment</u>
Other Gas Supply	\$110,577	\$76,179	\$34,398	\$0	\$34,398	\$0
Distribution	5,609,128	6,129,884	(520,756)	0	(520,756)	0
Customer Accounting	1,451,953	1,394,683	57,270	41	57,229	(41)
Customer Service & Information	280,680	162,186	118,494	100,384	18,110	(100,384)
Sales	93,725	92,013	1,712	0	1,712	0
Administrative and General	5,046,112	4,190,979	855,133	0	855,133	0
Total Other O&M	<u>\$12,592,175</u>	<u>\$12,045,924</u>	<u>\$546,251</u>	<u>\$100,425</u>	<u>\$445,826</u>	<u>(\$100,425)</u>

1/ Pro forma 2023 values reflect the removal of other costs reported for the South Dakota Gas Conservation Rebate Program costs.

**MONTANA-DAKOTA UTILITIES CO.
ITEMS ADJUSTED INDIVIDUALLY
GAS UTILITY - SOUTH DAKOTA
TWELVE MONTHS ENDING DECEMBER 31, 2022**

Function	Per Books	Cost of Gas	Labor	Benefits	Vehicles & Work Equipment	Subcontract Labor	Materials	Software Maintenance	Company Consumption
Cost of Gas	\$56,883,532	\$56,883,532							
Other Gas Supply	110,577		\$76,170		\$2				
Distribution	5,609,128		3,743,246		372,064	1,385,783	\$439,845	\$6,950	\$153,679
Customer Accounting	1,451,953		775,560		29,586	42,365	25	9,574	1,416
Customer Service & Information	280,680		117,954		6,290	823			
Sales	93,725		63,893		3,215				
Administrative and General	5,046,112		1,623,357	\$1,173,287	11,827	167,491	9,223	549,058	32,158
Total Other O&M	12,592,175	0	6,400,180	1,173,287	422,984	1,596,462	449,093	\$565,582	187,253
Total O&M	\$69,475,707	\$56,883,532	\$6,400,180	\$1,173,287	\$422,984	\$1,596,462	\$449,093	\$565,582	\$187,253

**MONTANA-DAKOTA UTILITIES CO.
ITEMS ADJUSTED INDIVIDUALLY
GAS UTILITY - SOUTH DAKOTA
TWELVE MONTHS ENDING DECEMBER 31, 2022**

<u>Function</u>	<u>Uncollectible Accounts</u>	<u>Postage</u>	<u>Advertising</u>	<u>Insurance</u>	<u>Industry Dues</u>	<u>Regulatory Commission Expense</u>	<u>Office Supplies</u>	<u>Easements</u>	<u>Total items adjusted individually</u>	<u>All Other O&M</u>
Cost of Gas									\$56,883,532	
Other Gas Supply							\$7		76,179	\$34,398
Distribution	\$10,540	\$4,574					11,606	\$1,597	6,129,884	(520,756)
Customer Accounting	304,346	202,943	\$73				28,795		1,394,683	57,270
Customer Service & Information		2	36,933		\$172		12		162,186	118,494
Sales			24,824				81		92,013	1,712
Administrative and General		26,811	15,541	\$422,340	93,006	\$0	66,880	0	4,190,979	855,133
Total Other O&M	<u>314,886</u>	<u>234,330</u>	<u>\$77,371</u>	<u>422,340</u>	<u>93,178</u>	<u>0</u>	<u>\$107,381</u>	<u>\$1,597</u>	<u>12,045,924</u>	<u>546,251</u>
Total O&M	<u>\$314,886</u>	<u>\$234,330</u>	<u>\$77,371</u>	<u>\$422,340</u>	<u>\$93,178</u>	<u>\$0</u>	<u>\$107,381</u>	<u>\$1,597</u>	<u>\$68,929,456</u>	<u>\$546,251</u>