

**MONTANA-DAKOTA UTILITIES CO.
 AVERAGE DEPRECIATION EXPENSE
 GAS UTILITY - SOUTH DAKOTA
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022
 PRO FORMA ADJUSTMENT NO. 21**

<u>Function</u>	<u>Per Books</u>	<u>Pro Forma Expense 1/</u>	<u>Pro Forma Adjustment</u>
Distribution	\$4,027,099	\$3,966,793	(\$60,306)
General	351,641	263,541	(88,100)
General Intangible	55,546	95,267	39,721
Common	161,729	219,602	57,873
Common - Intangible	599,340	626,903	27,563
Amort. - Pref. Stock Redemption	<u>1,257</u>	<u>1,257</u>	<u>0</u>
Total	<u>\$5,196,612</u>	<u>\$5,173,363</u>	<u>(\$23,249)</u>

1/ See Rule 20:10:13:86, Statement J, pages 2 through 3.

**MONTANA-DAKOTA UTILITIES CO
AVERAGE DEPRECIATION EXPENSE
GAS UTILITY - SOUTH DAKOTA
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022
PRO FORMA ADJUSTMENT NO. 21**

Acct. No.	Account	Pro Forma Plant 1/	Depreciation Rate	Annual Depreciation	To Clearing Accounts
<u>Distribution Plant</u>					
374.1	Land	\$87,780			
374.2	Rights of Way	129,244	1.46%	\$1,887	
375	Structures & Improvements	375,234	1.29%	4,841	
376	Mains	59,365,057	2.80%	1,662,222	
378	Meas. & Reg. Equip.- General	2,799,207	2.35%	65,781	
379	Meas. & Reg. Equip.- City Gate	3,243,660	2.14%	69,414	
380	Services	31,252,217	3.03%	946,942	
381	Meters	21,269,502	5.43%	1,154,934	
383	Service Regulators	3,262,370	1.70%	55,460	
385	Industrial Meas. & Reg. Station Equipment	110,213	2.48%	2,733	
387.2	Other Distribution Equipment	103,576	2.49%	2,579	
	Total Distribution Plant	\$121,998,060		\$3,966,793	
<u>General Plant</u>					
389	Land & Rights of Way	\$1,236,781			
390	Structures & Improvements	6,410,111	1.76%	\$112,818	
391.1	Office Furniture & Fixtures	28,904	19.63%	5,674	
391.3	Computer Equipment - PC	3,117	19.36%	603	
392.1	Transportation Equip. - Non-Unitized	99,767	0.49% 2/		\$489
392.2	Transportation Equip. - Unitized	3,932,541	9.69% 2/		381,063
393	Stores Equipment	49,955	4.05%	2,023	
394.1	Tools, Shop & Garage Equipment	2,016,998	4.62%	93,185	
395	Laboratory Equipment	59,639	13.63%	8,129	
396.1	Trailers - Work Equipment	225,944	1.29% 2/		2,915
396.2	Power Operated Equipment	3,071,812	30.48% 2/		936,288
397.1	Radio Communication Equip. - Fixed	235,563	7.49%	17,644	
397.2	Radio Communication Equip. - Mobile	132,425	7.82%	10,356	
397.3	Telephone Communication Equip.	55,305	12.70%	7,024	
397.8	Network Equipment	15,310	23.65%	3,621	
398	Miscellaneous Equipment	29,409	8.38%	2,464	
	Total General Plant	\$17,603,581		\$263,541	\$1,320,755
303	Intangible Plant - General	\$872,003		3/ \$95,267	
<u>Common Plant</u>					
389	Land & Rights of Way	\$141,210			
390	Structures & Improvements	2,072,235	2.57%	\$53,256	
391.1	Office Furniture & Fixtures	114,365	6.81%	7,788	
391.3	Computer Equipment - PC	303,692	24.37%	74,010	

1/ See Rule 20:10:13:54, Statement D, pages 2 through 3.

2/ Charged to a clearing account.

3/ Amortization based on the life of each item as shown in Workpaper Statement J, page 1.

**MONTANA-DAKOTA UTILITIES CO
AVERAGE DEPRECIATION EXPENSE
GAS UTILITY - SOUTH DAKOTA
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022
PRO FORMA ADJUSTMENT NO. 21**

Acct. No.	Account	Pro Forma Plant 1/	Depreciation Rate	Annual Depreciation	To Clearing Accounts
391.5	Computer Equipment - Other	145,617	23.70%	34,511	
392.1	Transportation Equip. - Non-Unitized	192	3.42% 2/		\$7
392.2	Transportation Equip. - Unitized	360,557	9.65% 2/		34,794
392.3	Transportation Equip. - Aircraft	395,315	4.00%	15,813	
393	Stores Equipment	2,676	2.94%	79	
394.1	Tools, Shop & Garage Equipment	16,073	1.27%	204	
394.3	Vehicle Maintenance Equipment	3,608	5.00%	180	
397.1	Radio Communication Equip. - Fixed	107,641	7.04%	7,578	
397.2	Radio Communication Equip. - Mobile	28,857	7.05%	2,034	
397.3	Telephone Communication Equip.	48,414	11.83%	5,727	
397.5	Supervisory & Telephone Equip.	2,199	27.74%	610	
397.8	Network Equipment	53,971	25.14%	13,568	
398	Miscellaneous Equipment	139,142	3.05%	4,244	
	Total Common Plant	<u>\$3,935,764</u>		<u>\$219,602</u>	<u>\$34,801</u>
303	Intangible Plant - Common	\$8,259,989		3/ \$626,903	
407.3	Amort. - Pref. Stock Redemption	\$0		4/ \$1,257	
	Total Gas Plant in Service	<u>\$152,669,397</u>		<u>\$5,173,363</u>	<u>\$1,355,556</u>

1/ See Rule 20:10:13:54, Statement D, pages 2 through 3.

2/ Charged to a clearing account.

3/ Amortization based on the life of each item as shown in Workpaper Statement J, page 1.

4/ Amortization based on 15 years.

MONTANA-DAKOTA UTILITIES CO.
DEPRECIATION EXPENSE ON PLANT ADDITIONS
GAS UTILITY - SOUTH DAKOTA
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022

Acct. No.	Account	Plant Additions	Annual Depreciation	
		Amount	Rate	Amount
	<u>Distribution Plant</u>			
376	Mains	\$2,640,901	2.80%	\$73,945
378	Meas. & Reg. Equip.- General	1,340,068	2.35%	31,492
379	Meas. & Reg. Equip.- City Gate	1,432,790	2.14%	30,662
380	Services	1,887,026	3.03%	57,177
381	Meters	1,135,371	5.43%	61,651
383	Service Regulators	314,017	1.70%	5,338
	Total Distribution Plant	<u>\$8,750,173</u>		<u>\$260,265</u>
	<u>General Plant</u>			
390	Structures & Improvements	\$7,568	1.76%	\$133
392.2	Transportation Equip. - Unitized	563,000	9.69%	54,555
394.1	Tools,Shop & Garage Equipment	196,880	4.62%	9,096
395	Laboratory Equipment	623	13.63%	85
396.2	Power Operated Equipment	303,000	30.48%	92,354
397.1	Radio Communication Equip. - Fixed	2,146	7.49%	161
397.8	Network Equipment	3,067	23.65%	725
	Total General Plant	<u>\$1,076,284</u>		<u>\$157,109</u>
303	Intangible Plant - General	\$182,037	1/	\$36,407
	<u>Common Plant</u>			
390	Structures & Improvements	\$0	2.57%	\$0
391.1	Office Furniture & Fixtures	31,995	6.81%	2,179
391.3	Computer Equipment - PC	36,576	24.37%	8,914
391.5	Computer Equipment - Other	7,644	23.70%	1,812
392.2	Transportation Equip. - Unitized	32,687	9.65%	3,154
394.1	Tools,Shop & Garage Equipment	5,158	1.27%	66
397.1	Radio Communication Equip. - Fixed	16,828	7.04%	1,185
397.2	Radio Communication Equip. - Mobile	0	7.05%	0
397.8	Network Equipment	25,931	25.14%	6,519
398	Miscellaneous Equipment	0	3.05%	0
	Total Common	<u>\$156,819</u>		<u>\$23,829</u>
303	Intangible Plant - Common	\$137,554	1/	\$21,347
	Total	<u><u>\$10,302,867</u></u>		<u><u>\$498,957</u></u>

1/ Amortization based on the life of each item.

**MONTANA-DAKOTA UTILITIES CO.
DEPRECIATION AND AMORTIZATION EXPENSES**

Montana-Dakota is proposing to implement the depreciation rates as shown on Statement J, pages 2 through 4. These rates are supported by the Company's most recent Gas Depreciation Study, which is supported and included in the testimony of Larry Kennedy. The depreciation rates currently authorized are shown on Statement J, Page 6.

**MONTANA-DAKOTA UTILITIES CO.
 DEPRECIATION RATES
 GAS UTILITY - SOUTH DAKOTA
 AUTHORIZED IN DOCKET NG15-005**

Acct. No.	Account	Annual Depreciation Rate
	<u>Distribution Plant</u>	
374.2	Rights of Way	1.39%
375	Structures & Improvements	2.77%
376	Mains	2.25%
378	Meas. & Reg. Equip.- General	3.14%
379	Meas. & Reg. Equip.- City Gate	3.75%
380	Services	7.17%
381	Meters	3.10%
383	Service Regulators	1.77%
385	Industrial Meas. & Reg. Station Equipment	3.31%
387.1	Cathodic Protection Equip.	3.21%
387.2	Other Distribution Equipment	0.99%
	<u>General Plant</u>	
390	Structures & Improvements	3.46%
391.1	Office Furniture & Fixtures	6.67%
391.3	Computer Equipment - PC	20.00%
392.1	Transportation Equip. - Non-Unitized	9.67%
392.2	Transportation Equip. - Unitized	0.26%
393	Stores Equipment	2.86%
394.1	Tools,Shop & Garage Equipment	5.56%
395	Laboratory Equipment	5.00%
396.1	Trailers - Work Equipment	6.02%
396.2	Power Operated Equipment	0.23%
397.1	Radio Communication Equip. - Fixed	6.67%
397.2	Radio Communication Equip. - Mobile	6.67%
397.3	Telephone Communication Equip.	10.00%
397.8	Network Equipment	20.00%
398	Miscellaneous Equipment	5.00%
	<u>Common Plant</u>	
390	Structures & Improvements	1.46%
391.1	Office Furniture & Fixtures	6.67%
391.3	Computer Equipment - PC	20.00%
391.5	Computer Equipment - Other	20.00%
392.1	Transportation Equip. - Non-Unitized	4.17%
392.2	Transportation Equip. - Unitized	4.11%
392.3	Transportation Equip. - Aircraft	4.00%
393	Stores Equipment	3.33%
394.1	Tools,Shop & Garage Equipment	5.56%
394.3	Vehicle Maintenance Equipment	5.00%
394.4	Vehicle Refueling Equip.	5.00%
397.1	Radio Communication Equip. - Fixed	6.67%
397.2	Radio Communication Equip. - Mobile	6.67%
397.3	Telephone Communication Equip.	10.00%
397.5	Supervisory & Telephone Equip.	6.67%
397.8	Network Equipment	20.00%
398	Miscellaneous Equipment	5.00%