

MONTANA-DAKOTA UTILITIES CO.

Preliminary Cost Impact of 111 d

July 31, 2014



*In the Community
to Serve®*



Montana-Dakota Utilities Co.

Cost of Replacing Big Stone Station

Cost Impact of Replacing Big Stone Forecasted Revenue Requirement Millions

\$19.9	Amortization of Big Stone Remaining Cost - 5 Yrs
16.2	Replacement generation (475 mW Combined Cycle)
7.6	Incremental fuel cost (Combined Cycle vs. Big Stone)
<u>\$43.6</u>	Total Annual Revenue Requirement
10.1%	Percentage increase *
\$122.52	Annual impact to an average customer (1,000 kwh/month)
\$10.21	Monthly impact

* This increase is above the approximate 15% increase anticipated starting in 2015 associated with AQCS project and the other generation requirements.