

**MONTANA-DAKOTA UTILITIES CO.  
DIFFERENCE IN BOOK AND TAX DEPRECIATION  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014**

<u>Tax Depreciation</u>	
CIAC's - MACRS	(\$2,289,788)
Depreciation	130,079,347
Capitalized Interest Expense	(4,528,718)
Capitalized Tax Depreciation	(1,627,073)
Research and Development Deduction	2,312,363
Capitalized Property Taxes	0
Capitalized Pensions	0
Capitalized Vacation Pay	0
Capitalized Meals	0
Reversal of Intercompany Gain-Airplanes	(15)
Gain/Loss on Disposition of Property	1,744,355
Tax Repairs Deduction	18,885,090
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Total Tax Depreciation	<u>\$144,575,561</u>
 <u>Book Depreciation</u>	
Depreciation and Amortization Expense	\$51,871,010
Gain/Loss on Disposition of Property	(1,206,379)
Allowance For Funds Used During Construction	(5,714,404)
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Total Book Depreciation	<u>\$44,950,227</u>
Total Company Book over Tax Depreciation	<u>(\$99,625,334)</u>