

**MONTANA-DAKOTA UTILITIES CO.  
ELECTRIC UTILITY - SOUTH DAKOTA  
MONTANA ELECTRIC TAXES  
WORKPAPER**

	<u>Per Books</u>	<u>Pro Forma</u>
<u>Montana Wholesale Energy Tax (WET)</u>		
Kwh delivered in state		779,362,000
Tax Rate		0.00015
Total Montana WET Tax		<u>\$116,904</u>
Allocation to South Dakota 1/		<u>\$5,534</u>
 <u>Generation Tax (EEL)</u>		
Total Generation - net of station use		101,900,000
Tax		0.00020
Total Montana EEL Tax		<u>\$20,380</u>
Allocation to South Dakota 1/		<u>\$965</u>
Total Montana Electric Taxes	<u>\$133,035</u>	<u>\$137,284</u>
Allocation to South Dakota 1/	<u>\$6,244</u>	<u>\$6,499</u>

1/ Allocated on Factor 16: Integrated System Kwh sales.

**MONTANA-DAKOTA UTILITIES CO.  
ELECTRIC UTILITY - SOUTH DAKOTA  
GENERATION TAXES - ND COAL CONVERSION TAX  
WORKPAPER**

	<u>Per Books</u>	<u>Pro Forma</u>
<b><u>Fixed Tax:</u></b>		
Coyote		103,647
Multiplier		60%
Capacity Subject to Tax		<u>62,188</u>
Plant hours		8,760
Tax Rate		0.00065
Tax - fixed capacity		\$354,098
Exemption		85%
Tax - Capacity (exempt from Coal Conv. tax)		\$300,983
Coal Conversion Tax (remaining fixed)		\$53,115
Lignite Research Tax (5% of exempt)		<u>15,049</u>
Total Capacity Tax:		<u>\$68,164</u>
<b><u>Variable Tax:</u></b>		
Generation - Net of station use		605,800,000
Rate per kwh		0.00025
Total Variable Tax:		\$151,450
Total Generation Tax	<u>\$85,056</u>	<u>\$219,614</u>
Allocate to South Dakota 1/	<u>\$3,992</u>	<u>\$10,397</u>

1/ Allocated on Factor 16: Integrated System Kwh sales.

**MONTANA-DAKOTA UTILITIES CO.  
ELECTRIC UTILITY - SOUTH DAKOTA  
ND WIND GENERATION TAX  
WORKPAPER**

	<u>Per Books</u>	<u>Pro Forma 1/</u>
Capacity		
Thunder Spirit Wind		155,500
Tax Rate		\$2.50
Tax - capacity		<u>\$388,750</u>
Generation		598,060,000
1/2 Mill per KW		0.00050
Tax - Generation		\$299,030
Total Tax	<u>\$673,337</u>	<u>\$687,780</u>
Allocate to South Dakota 2/	<u>\$31,980</u>	<u>\$32,493</u>

1/ ND Century Code Chapter 57-33.2-04: Wind Generation Taxation -  
Taxation of generation from sources other than coal.

2/ Allocated on Factor 271: Integrated Peak and Energy.