

MONTANA-DAKOTA UTILITIES CO.
REVENUES UNDER CURRENT AND PROPOSED RATES
GAS UTILITY - SOUTH DAKOTA
TCJA Settlement GE17-003

Customer Class/Rate	Pro Forma 2017			Total Proposed Revenue	Proposed Revenue Decrease	Percent Increase
	Billing Units	Dk	Revenue			
Residential	52,772	3,570,554	\$28,112,350	\$27,915,969	(\$196,381)	-0.7%
Firm General Service						
Small Firm General	5,347	653,354	4,564,951			
Large Firm General	1,972	2,447,824	14,797,101			
Total Firm General	<u>7,319</u>	<u>3,101,178</u>	<u>19,362,052</u>	<u>19,231,471</u>	<u>(130,581)</u>	<u>-0.7%</u>
Small Interruptible						
Sales - Rate 71	3	14,826	54,886			
Transport - Rate 81	21	256,311	134,556			
Flexed Contracts	3	56,429	29,078			
Total Small Interruptible	<u>27</u>	<u>327,566</u>	<u>218,520</u>	<u>216,893</u>	<u>(1,627)</u>	<u>-0.7%</u>
Large Interruptible						
Sales - Rate 85	2	359,616	1,127,164			
Transport - Rate 82	10	967,617	225,556			
Total Large Interruptible	<u>12</u>	<u>1,327,233</u>	<u>1,352,720</u>	<u>1,342,102</u>	<u>(10,618)</u>	<u>-0.8%</u>
Total South Dakota	<u><u>60,130</u></u>	<u><u>8,326,531</u></u>	<u><u>\$49,045,642</u></u>	<u><u>\$48,706,435</u></u>	<u><u>(\$339,207)</u></u>	<u><u>-0.7%</u></u>

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
ALLOCATION OF REVENUES
TCJA Settlement - GE17-003**

Rate Class	Pro Forma 2017 Revenues					Authorized Revenue Ratio 1/	TCJA Decrease 1/		Design Revenue		
	Billing Units	Dk	Distribution		Total Revenues		Decrease In Revenue	% Incr	Decrease In Revenue	Total Revenues	% Incr
			Revenues	Gas Costs							
Residential	52,772	3,570,554	\$12,530,452	\$15,581,898	\$28,112,350	57.9098%	(\$196,459)	-0.70%	(\$196,381)	\$27,915,969	-0.70%
Firm General Service											
Small Firm General	5,347	653,354	1,713,697	2,851,254	4,564,951	9.5559%	(32,419)	-0.71%	(32,668)	4,532,283	-0.72%
Large Firm General	1,972	2,447,824	4,114,797	10,682,304	14,797,101	28.8710%	(97,945)	-0.66%	(97,913)	14,699,188	-0.66%
Total Firm General	7,319	3,101,178	5,828,494	13,533,558	19,362,052	38.4269%	(130,364)	-0.67%	(130,581)	19,231,471	-0.67%
Small Interruptible											
Sales	3	14,826	11,639	43,247	54,886	0.2112%	(717)				
Transport	21	256,311	134,556	0	134,556	0.2833%	(961)				
Flex	3	56,429	21,678	7,400	29,078		0				
Total Small IT	27	327,566	167,873	50,647	218,520	0.4945%	(1,678)	-0.77%	(1,627)	216,893	-0.74%
Large Interruptible											
Sales	2	359,616	78,164	1,049,000	1,127,164	2.7235%	(9,240)				
Transportation	10	967,617	225,556	0	225,556	0.4453%	(1,511)				
Total Large IT	12	1,327,233	303,720	1,049,000	1,352,720	3.1688%	(10,751)	-0.79%	(10,618)	1,342,102	-0.78%
Total South Dakota	60,130	8,326,531	\$18,830,539	\$30,215,103	\$49,045,642	100.0000%	(\$339,252)	-0.69%	(\$339,207)	\$48,706,435	-0.69%

1/

Rate Class	Authorized NG15-005	
	Total Revenues	Ratio
Residential	\$29,190,958	57.9098%
Firm General Service		
Small Firm General	4,816,909	9.5559%
Large Firm General	14,553,190	28.8710%
Total Firm General	19,370,099	38.4269%
Small Interruptible		
Sales	106,470	0.2112%
Transport	142,823	0.2833%
Flex	28,636	
Total Small IT	277,929	0.4945%
Large Interruptible		
Sales	1,372,843	2.7235%
Transportation	224,451	0.4453%
Total Large IT	1,597,294	3.1688%
Total South Dakota	\$50,436,280	100.0000%

2/ TCJA decrease calculated in accordance with Settlement Stipulation approved in Docket No. GE17-003 (\$339,252)

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
RATE RECONCILIATION
RESIDENTIAL GAS SERVICE - RATE 60
TCJA Settlement - GE17-003**

	Billing Units	Current		Proposed		Change
		Rate	Amount	Rate	Amount	
Residential Rate 60						
Basic Service Charge	52,772 Cust	\$0.30	\$5,778,534	\$0.30	\$5,778,534	\$0
Distribution Charge	3,570,554 dk	1.891	6,751,918	1.836	6,555,537	(196,381)
Cost of Gas	3,570,554 dk	4.364	15,581,898	4.364	15,581,898	0
Total Revenue Rate 60			\$28,112,350		\$27,915,969	(\$196,381)

Total Non-Gas Revenues Per Design	\$12,334,071
Target Non-Gas Revenues	<u>12,333,993</u>
Difference	\$78

Current Non-Gas Revenues	\$12,530,452
Proposed Revenue Increase	<u>(196,459)</u>
Total Revenue Requirement	\$12,333,993
Less:	
Proposed Basic Service Charge Revenues	\$5,778,534
Remaining Revenues To Be Collected	<u>\$6,555,459</u>
Total Rate 60 Consumption	3,570,554
Distribution Delivery Charge	\$1.836

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
RATE RECONCILIATION
FIRM GENERAL GAS SERVICE - RATE 70/72
TCJA Settlement - GE17-003**

	Billing Units		Current		Proposed		Change
			Rate	Amount	Rate	Amount	
Firm General Rate 70							
Basic Service Chg Rate 700	5,347 Cust		\$0.55	\$1,073,410	\$0.55	\$1,073,410	\$0
Basic Service Chg Rate 701	1,972 Cust		1.68	1,209,230	1.68	1,209,230	0
	<u>7,319</u>			<u>\$2,282,640</u>		<u>\$2,282,640</u>	<u>\$0</u>
Distribution Delivery Charge							
< 500 cubic feet	653,354 Dk		\$0.980	\$640,287	\$0.930	\$607,619	(\$32,668)
> 500 cubic feet	2,447,824 Dk		1.187	2,905,567	1.147	2,807,654	(97,913)
	<u>3,101,178</u>			<u>\$3,545,854</u>		<u>\$3,415,273</u>	<u>(\$130,581)</u>
Cost of Gas							
< 500 cubic feet	653,228 Dk		\$4.364	\$2,850,687	\$4.364	\$2,850,687	0
> 500 cubic feet	2,447,824 Dk		4.364	10,682,304	4.364	10,682,304	0
Seasonal	126 Dk		4.500	567	4.500	567	0
	<u>3,101,052</u>			<u>\$13,533,558</u>		<u>\$13,533,558</u>	<u>0</u>
Total Revenue Rate 70/72				\$19,362,052		\$19,231,471	(\$130,581)
Total Non-Gas Revenues Per Design						\$5,697,913	
Target Non-Gas Revenues						<u>5,698,130</u>	
Difference						<u><u>(\$217)</u></u>	
				<u>Rate 700</u>	<u>Rate 701</u>		
Current Non-Gas Revenues				\$1,713,697	\$4,114,797		
Proposed Revenue Increase				(32,419)	(97,945)		
Total Revenue Requirement				<u>\$1,681,278</u>	<u>\$4,016,852</u>		
Less:							
Proposed Basic Service Charge Revenues				<u>\$1,073,410</u>	<u>\$1,209,230</u>		
Remaining Revenues To Be Collected				\$607,868	\$2,807,622		
Total Rate 70 Consumption				653,354	2,447,824		
Distribution Delivery Charge				\$0.930	\$1.147		

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
SMALL INTERRUPTIBLE - RATES 71 & 81
TCJA Settlement - GE17-003
Excluding Flexed Contracts

	Billing Units	Current		Proposed		Change
		Rate	Amount	Rate	Amount	
Small IT Rates 71 & 81						
Basic Service Charge						
Rate 71 Sales	3 Cust	\$180.00	\$6,480	\$180.00	\$6,480	\$0
Rate 81 Transport	21 Cust	180.00	45,360	180.00	45,360	0
Contract Rates	3 Cust	180.00	6,480	180.00	6,480	0
Subtotal	<u>27</u>		<u>\$58,320</u>		<u>\$58,320</u>	<u>0</u>
Distribution Delivery						
Rate 71 Sales	14,826 dk	\$0.348	\$5,159	\$0.342	\$5,070	(\$89)
Rate 71 contract rate	2,537 dk	\$0.131	332	0.131	\$332	\$0
Rate 81 Transport	256,311 dk	0.348	89,196	0.342	87,658	(1,538)
Rate 81 contract rate	<u>53,892 dk</u>		<u>14,866</u>		<u>14,866</u>	<u>\$0</u>
	<u>327,566</u>		<u>\$109,553</u>		<u>\$107,926</u>	<u>(\$1,627)</u>
Cost of Gas Rate 71	14,826 dk	\$2.917	\$43,247	\$2.917	\$43,247	0
Cost of Gas Rate 71 contract	2,537 dk	\$2.917	7,400	\$2.917	7,400	0
			<u>\$50,647</u>		<u>\$50,647</u>	<u>0</u>
Total Revenue Small Interruptible			\$218,520		\$216,893	(\$1,627)
Total Non-Gas Revenues per Design					\$166,246	
Target Non-Gas Revenues					<u>166,195</u>	
Difference					<u>\$51</u>	
Small Interruptible Non-Gas Revenue Requirement			\$167,873			
Less: Flexed Contracts			(21,678)			
Proposed Revenue Increase			<u>(1,678)</u>			
Proposed Revenue Requirement			\$144,517			
Less: Basic Service Charge Revenues			<u>51,840</u>			
Remaining Revenues To Be Collected			\$92,677			
Total Throughput Rates 71 & 81 (Excluding Flexed Contracts)			271,137			
Distribution Delivery Charge			\$0.342			

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
REVENUE RECONCILIATION
SMALL INTERRUPTIBLE SERVICE - RATES 71 & 81
TCJA Settlement - GE17-003**

Small Interruptible Sales	
Basic Service Charge Revenues	\$6,480
Commodity Revenues	5,070
Cost of Gas	43,247
Distribution Revenue Flexed	2,492
Cost of Gas- Assoc with Flex	<u>7,400</u>
 Total Sales Revenues	 \$64,689
Small Interruptible Transportation	
Basic Service Charge Revenues	\$45,360
Transportation Revenues @ Ceiling	87,658
Transportation Revenue - Flexed	14,866
Basic Service Charge Revenues - Flexed	<u>4,320</u>
 Total Transportation Revenue	 \$152,204
Total Small Interruptible Revenues Per Design	\$216,893
Total Small Interruptible Target Revenues	<u>216,842</u>
 Difference	 <u><u>\$51</u></u>

Flexed Contracts - Pro Forma 2015						
Customer ID	Bills	Normalized		Rate	Revenue	Total Rev
		BSC 1/	Dk			
81-14	12	\$2,160	26,620	\$0.247	\$6,575	\$8,735
81-17	12	2,160	27,272	0.304	8,291	10,451
Subtotal Transport	<u>24</u>	<u>\$4,320</u>	<u>53,892</u>		<u>\$14,866</u>	<u>\$19,186</u>
71-12	12	\$2,160	2,537	0.131	\$332	\$2,492
Subtotal Sales	<u>12</u>	<u>\$2,160</u>	<u>2,537</u>		<u>\$332</u>	<u>\$2,492</u>
Total Flex	36	\$6,480	56,429		\$15,198	\$21,678

1/ Reflects the basic service charge under the proposed rates.

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
LARGE INTERRUPTIBLE SERVICE - RATES 82 & 85
TCJA Settlement - GE17-003

	Billing Units	Current		Proposed		Change
		Rate	Amount	Rate	Amount	
Large IT Rates 85 & 82						
Basic Service Charge						
Rate 85 Sales	2 Cust	\$275.00	\$6,600	\$275.00	\$6,600	\$0
Rate 82 Transport	10 Cust	275.00	33,000	275.00	33,000	0
Subtotal	12		\$39,600		\$39,600	\$0
Distribution Delivery						
Rate 85 Sales	359,616 dk	\$0.199	\$71,564	\$0.191	\$68,687	(\$2,877)
Rate 82 Transport	967,617 dk	0.199	192,556	0.191	184,815	(7,741)
Subtotal			\$264,120		\$253,502	(\$10,618)
Cost of Gas						
Rate 85 Sales	359,616 dk	\$2.917	\$1,049,000	\$2.917	\$1,049,000	0
Total Revenue - Large Interruptible			\$1,352,720		\$1,342,102	(\$10,618)
Total Non-Gas Revenues per Design					\$293,102	
Target Non-Gas Revenues					292,969	
Difference					\$133	

Large Interruptible Non-Gas Revenue Requirement	\$303,720
Proposed Revenue Increase	(10,751)
Total Revenue Requirement	\$292,969
Less: Basic Service Charge Revenues	39,600
Total Revenue Requirement	\$253,369
Total Throughput Rates 82 & 85 (Excluding Flexed Contracts)	1,327,233
Distribution Delivery Charge	\$0.191

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
REVENUE RECONCILIATION
LARGE INTERRUPTIBLE SERVICE - RATES 82 & 85
TCJA Settlement - GE17-003

Large Interruptible & Air Force Sales	
Basic Service Charge Revenues	\$6,600
Commodity Revenues	68,687
Cost of Gas	<u>1,049,000</u>
Total Sales Revenues	\$1,124,287
Large Interruptible Transportation	
Base Rate Revenues	\$33,000
Transportation Revenues - @ Ceiling	<u>184,815</u>
Total Transportation Revenues	\$217,815
Total Large Interruptible Revenues Per Design	\$1,342,102
Total Large Interruptible Target Revenues	<u>1,341,969</u>
Difference	\$133