

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota
DSM Performance Target Financial Incentive
Summary of Programs and Incentive Threshold
2013 Program Year**

Program	Black Hills			East River		
	Participants	Dk Saving	Budget	Participants	Dk Saving	Budget
Residential						
Furnaces Tier 1 - 92-94% AFUE						
Furnaces Tier 2 - 95+% AFUE - New						
Furnaces Tier 2 - 95+% AFUE - Replacement	140	1,834	\$42,000	30	393	\$9,000
Water Heating (.62 EF)						
Water Heating (.67 EF)	10	36	1,000	2	7	200
Programmable Thermostats	73	212	1,460	27	78	540
Commercial						
Furnaces Tier 1 - 92-94% AFUE						
Furnaces Tier 2 - 95+% AFUE - New						
Furnaces Tier 2 - 95+% AFUE - Replacement	5	115	1,500	4	92	1,200
Custom Efficiency	2	200	1,200	1	100	600
Administration & Promotion			15,468 ^{2/}			3,782 ^{2/}
Total	230	2,397	\$62,628	64	670	\$15,322
Energy Audits 1/	40		\$9,600	10		\$2,400
Total	270	2,397	\$72,228	74	670	\$17,722
Incentive Range						
Minimum Incentive 3/			\$3,611			\$886
Incentive Cap 4/			10,599			2,607

1/ The Energy Audit program does not provide dk savings.

2/ Reflects administration costs of \$8,500 and promotional costs of \$10,750 for 2013.

3/ 5% of budget as established in Docket No. NG09-001.

4/ Authorized return adjusted for taxes at 125% of budget as established in Docket No. NG09-001.