

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA (Black Hills)
Allocation of Interim Revenue Increase
Docket No. NG12-008

| Rate Class | Billing Determinants 1/ | | | | | Interim Increase 2/ | |
|------------------------|-------------------------|-----------|-----------------------|--------------|----------------|---------------------|--------|
| | Billing Units | Dk | Distribution Revenues | Gas Costs | Total Revenues | Increase In Revenue | % Incr |
| Residential | 41,962 | 3,154,338 | \$8,784,498 | \$14,651,900 | \$23,436,398 | \$1,054,843 | 4.50% |
| Firm General Service | 5,558 | 2,394,729 | 3,718,277 | 11,123,516 | 14,841,793 | 446,491 | 3.01% |
| Small Interruptible | | | | | | | |
| Sales - Black Hills | 14 | 85,915 | 46,731 | 309,552 | 356,283 | 5,611 | |
| Transport- Black Hills | 17 | 270,635 | 139,434 | 0 | 139,434 | 16,743 | |
| Total Small IT | 31 | 356,550 | 186,165 | 309,552 | 495,717 | 22,354 | 4.51% |
| Large Interruptible | | | | | | | |
| Air Force | 1 | 319,714 | 20,962 | 1,151,930 | 1,172,892 | 2,517 | 0.21% |
| Sales | 1 | 71,279 | 15,429 | 256,818 | 272,247 | 1,853 | |
| Transportation | 10 | 742,884 | 165,919 | 0 | 165,919 | 19,924 | |
| | 11 | 814,163 | 181,348 | 256,818 | 438,166 | 21,777 | 4.97% |
| Total Large IT | 12 | 1,133,877 | 202,310 | 1,408,748 | 1,611,058 | 24,294 | |
| Total South Dakota | 47,563 | 7,039,494 | 12,891,250 | 27,493,716 | 40,384,966 | \$1,547,982 | 3.83% |

\$1,547,999 Rule 20:10:13:96 Statement M, Page 7.
12.008%

1/ Statement and Exhibit Workpapers, Pages I-10 and I-11.

2/ Interim increase allocated to non-gas components.

Percentage increase applied to distribution components

**MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY - SOUTH DAKOTA
RATE 60 BILL COMPARISON
RESIDENTIAL GAS SERVICE**

| Month | Dk | Present Rate | Proposed Rate 2/ | Amount of Increase | % Increase |
|-----------|------|-----------------|---------------------|-----------------------|---------------|
| January | 13.0 | \$88.56 | \$91.94 | \$3.38 | 3.82% |
| February | 11.8 | 80.35 | 83.42 | 3.07 | 3.82% |
| March | 9.8 | 68.67 | 71.45 | 2.78 | 4.05% |
| April | 7.6 | 54.74 | 57.07 | 2.33 | 4.26% |
| May | 4.6 | 36.34 | 38.14 | 1.80 | 4.95% |
| June | 2.4 | 22.42 | 23.77 | 1.35 | 6.02% |
| July | 1.6 | 17.70 | 18.93 | 1.23 | 6.95% |
| August | 1.4 | 16.45 | 17.64 | 1.19 | 7.23% |
| September | 1.8 | 18.69 | 19.93 | 1.24 | 6.63% |
| October | 3.4 | 28.88 | 30.45 | 1.57 | 5.44% |
| November | 6.8 | 49.77 | 51.95 | 2.18 | 4.38% |
| December | 10.7 | 74.26 | 77.21 | 2.95 | 3.97% |
| Total | 74.9 | \$556.83 | \$581.90 | \$25.07 | 4.50% |

Average Increase per Month \$2.09

| | |
|-----------------------|-------------------------------|
| 1/ RATE 60 | Current |
| Basic Delivery Charge | \$0.25 |
| Distribution Delivery | \$1.571 |
| Cost of Gas | 4.645 Pro Forma per rate case |

2/ 12.008% interim increase applicable to amount billed under Basic Service Charge and Distribution Delivery Charge.