

Montana-Dakota Utilities Co.
Gas Utility - South Dakota
DSM Estimated Performance Target Financial Incentive
Summary of Programs and Incentive Threshold
2015-2017 Program Years

Program	2015 Budget	2016 Budget	2017 Budget
Residential			
Furnaces - 95+% AFUE - New	\$45,000	\$51,000	\$57,000
Furnaces - 95+% AFUE - Replacement	67,500	75,000	82,500
Programmable Thermostats	3,600	4,000	4,400
Energy Audits	25,000	25,000	25,000
Total	<u>\$141,100</u>	<u>\$155,000</u>	<u>\$168,900</u>
Commercial			
Furnaces - 95+% AFUE - New	\$300	\$600	\$600
Furnaces - 95+% AFUE - Replacement	3,000	3,600	4,200
Custom Efficiency	600	600	600
Administration & Promotion	18,000	21,000	24,000
Total	<u>\$21,900</u>	<u>\$25,800</u>	<u>\$29,400</u>
Total	<u><u>\$163,000</u></u>	<u><u>\$180,800</u></u>	<u><u>\$198,300</u></u>
Incentive Range			
Minimum Incentive 1/	\$8,150	\$9,040	\$9,915
Incentive Cap 2/	23,859	26,465	29,026

1/ 5% of budget as established in Docket No. NG09-001.

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

Docket No. NG12-008 Authorized ROR	7.600%
Inverse Tax Rate	64.9025%
Adjusted for taxes	11.710%

	<u>x% of Budget</u>
Ceiling	1.25