

Montana-Dakota Utilities Co.
Selected Natural Gas Distribution Companies
Dividend Yields
November 2014 - April 2015

Company	Ticker			Average Dividend Yield
Atmos Energy Corporation	ATO			2.84%
Laclede Group, Inc. (The)	LG			3.50%
New Jersey Resources Corporation	NJR			2.92%
Northwest Natural Gas Company	NWN			3.85%
Piedmont Natural Gas Company, Inc.	PNY			3.40%
South Jersey Industries, Inc.	SJI			3.49%
Southwest Gas Corporation	SWX			2.49%
WGL Holdings, Inc.	WGL			3.31%
Average				3.23%
Median				3.35%

			Price			Annualized Dividend	Dividend Yield
			Low	High	Average		
Atmos Energy Corporation	ATO	Nov-14	\$ 52.64	\$ 54.92	\$ 53.78	\$ 1.56	2.90%
		Dec-14	52.02	58.18	55.10	1.56	2.83%
		Jan-15	54.36	59.35	56.85	1.56	2.74%
		Feb-15	52.05	58.18	55.12	1.56	2.83%
		Mar-15	51.26	56.05	53.66	1.56	2.91%
		Apr-15	53.67	56.67	55.17	1.56	2.83%
						<u>2.84%</u>	
Laclede Group, Inc.	LG	Nov-14	\$ 49.84	\$ 51.72	\$ 50.78	\$ 1.76	3.47%
		Dec-14	50.00	55.22	52.61	1.84	3.50%
		Jan-15	51.94	55.71	53.83	1.84	3.42%
		Feb-15	51.15	55.75	53.45	1.84	3.44%
		Mar-15	49.07	52.15	50.61	1.84	3.64%
		Apr-15	50.82	52.95	51.89	1.84	3.55%
						<u>3.50%</u>	
New Jersey Resources Corporation	NJR	Nov-14	\$ 28.28	\$ 29.92	\$ 29.10	\$ 0.90	3.09%
		Dec-14	28.59	32.14	30.37	0.90	2.96%
		Jan-15	29.63	33.40	31.51	0.90	2.86%
		Feb-15	31.02	33.73	32.37	0.90	2.78%
		Mar-15	28.73	31.84	30.29	0.90	2.97%
		Apr-15	30.35	32.05	31.20	0.90	2.88%
						<u>2.92%</u>	
Northwest Natural Gas Company	NWN	Nov-14	\$ 45.88	\$ 47.75	\$ 46.81	\$ 1.86	3.97%
		Dec-14	46.03	52.57	49.30	1.86	3.77%
		Jan-15	48.31	52.25	50.28	1.86	3.70%
		Feb-15	46.87	51.11	48.99	1.86	3.80%
		Mar-15	44.40	48.29	46.34	1.86	4.01%
		Apr-15	46.54	49.77	48.16	1.86	3.86%
						<u>3.85%</u>	

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New Jersey Resources Corporation	NJR	2.92%
Northwest Natural Gas Company	NWN	3.85%
Piedmont Natural Gas Company, Inc	PNY	3.40%
South Jersey Industries, Inc.	SJI	3.49%
Southwest Gas Corporation	SWX	2.49%
WGL Holdings, Inc.	WGL	3.31%
Average		3.23%
Median		3.35%

Company	Ticker	Date	Price			Annualized Dividend	Dividend Yield
			Low	High	Average		
Piedmont Natural Gas Company, Inc.	PNY	Nov-14	\$ 36.62	\$ 38.48	\$ 37.55	\$ 1.28	3.41%
		Dec-14	37.10	40.96	39.03	1.28	3.28%
		Jan-15	38.21	41.09	39.65	1.28	3.23%
		Feb-15	36.92	40.61	38.77	1.28	3.30%
		Mar-15	34.95	37.66	36.31	1.32	3.64%
		Apr-15	36.17	38.43	37.30	1.32	3.54%
						<u>3.40%</u>	
South Jersey Industries, Inc.	SJI	Nov-14	\$ 28.08	\$ 29.87	\$ 28.97	0.95	3.26%
		Dec-14	28.14	30.62	29.38	1.01	3.42%
		Jan-15	28.77	30.37	29.57	1.01	3.40%
		Feb-15	27.92	30.17	29.04	1.01	3.46%
		Mar-15	26.03	28.45	27.24	1.01	3.69%
		Apr-15	26.20	27.66	26.93	1.01	3.73%
						<u>3.49%</u>	
Southwest Gas Corporation	SWX	Nov-14	\$ 56.77	\$ 59.76	\$ 58.27	\$ 1.46	2.51%
		Dec-14	55.93	64.20	60.07	1.46	2.43%
		Jan-15	59.35	63.45	61.40	1.46	2.38%
		Feb-15	56.36	63.68	60.02	1.46	2.43%
		Mar-15	52.94	58.39	55.67	1.46	2.62%
		Apr-15	54.46	59.75	57.11	1.46	2.56%
						<u>2.49%</u>	
WGL Holdings, Inc	WGL	Nov-14	\$ 46.99	\$ 50.00	\$ 48.50	\$ 1.76	3.63%
		Dec-14	48.29	56.79	52.54	1.76	3.55%
		Jan-15	52.77	59.08	55.93	1.76	3.15%
		Feb-15	52.41	58.74	55.58	1.76	3.17%
		Mar-15	50.89	56.89	53.89	1.76	3.27%
		Apr-15	54.79	57.94	56.37	1.85	3.28%
						<u>3.31%</u>	

Source: Bloomberg Finance L.P.

Montana-Dakota Utilities Co.

**Selected Natural Gas Distribution Companies
 Projected Earnings Retention Growth Rates**

Company	Ticker	Value Line Forecast 2018-20			Retention Rate	Retention Growth
		EPS	DPS	ROE		
Atmos Energy Corporation	ATO	\$3.80	\$1.90	10.50%	50.00%	5.25%
Laclede Group, Inc.	LG	\$4.20	\$2.20	8.50%	47.62%	4.05%
New Jersey Resources Corporation	NJR	\$1.85	\$0.98	12.00%	47.03%	5.64%
Northwest Natural Gas Company	NWN	\$3.30	\$2.10	9.00%	36.36%	3.27%
Piedmont Natural Gas Company, Inc	PNY	\$2.10	\$1.47	10.50%	30.00%	3.15%
South Jersey Industries, Inc.	SJI	\$5.00	\$2.65	14.50%	47.00%	6.82%
Southwest Gas Corporation	SWX	\$4.25	\$2.10	12.00%	50.59%	6.07%
WGL Holdings, Inc.	WGL	\$3.20	\$1.87	11.00%	41.56%	4.57%
Average						4.85%
Median						4.91%

Source: Value Line Investment Survey, March 6, 2015

Montana-Dakota Utilities Co.

**Selected Natural Gas Distribution Companies
 Earnings Growth Rate Estimates**

Company	Ticker	1/2	1/2	Weighted Average
		Zacks 5-Yr Earnings Growth	Yahoo Finance! Earnings Growth	
Atmos Energy Corporation	ATO	7.00%	7.00%	7.00%
Laclede Group, Inc. (The)	LG	4.90%	4.67%	4.79%
New Jersey Resources Corporation	NJR	6.00%	6.00%	6.00%
Northwest Natural Gas Company	NWN	4.00%	4.00%	4.00%
Piedmont Natural Gas Company, Inc	PNY	5.00%	5.00%	5.00%
South Jersey Industries, Inc.	SJI	N/A	6.00%	6.00%
Southwest Gas Corporation	SWX	5.50%	4.00%	4.75%
WGL Holdings, Inc.	WGL	6.00%	6.50%	6.25%
Average		5.49%	5.40%	5.47%
Median		5.50%	5.50%	5.50%

Source: Yahoo Finance! And Zacks Investment Research

Montana-Dakota Utilities Co.

**Selected Natural Gas Distribution Companies
 Blended Growth Rate Estimates**

Company	Ticker	1/2	1/2	Weighted Average
		Retention Growth	Earnings Growth	
Atmos Energy Corporation	ATO	5.25%	7.00%	6.13%
Laclede Group, Inc. (The)	LG	4.05%	4.79%	4.42%
New Jersey Resources Corporation	NJR	5.64%	6.00%	5.82%
Northwest Natural Gas Company	NWN	3.27%	4.00%	3.64%
Piedmont Natural Gas Company, Inc	PNY	3.15%	5.00%	4.08%
South Jersey Industries, Inc.	SJI	6.82%	6.00%	6.41%
Southwest Gas Corporation	SWX	6.07%	4.75%	5.41%
WGL Holdings, Inc.	WGL	4.57%	6.25%	5.41%
Average		4.85%	5.47%	5.16%
Median		4.91%	5.50%	5.41%

Source: Schedule 4, page 3 of 7, and Schedule 4, page 4 of 7

Montana-Dakota Utilities Co.

**Selected Natural Gas Distribution Companies
 Retention Growth DCF Calculation**

Company	Ticker	Dividend Yield	Dividend Yield x (1 +	Expected Growth Rate (g)	Secondary Market:	Flotation Cost Adjustment	Primary Market:
					Investor Required Return		Cost of Capital
Atmos Energy Corporation	ATO	2.84%	2.93%	5.25%	8.18%	1.0400	8.51%
Laclede Group, Inc. (The)	LG	3.50%	3.59%	4.05%	7.64%	1.0400	7.94%
New Jersey Resources Corporation	NJR	2.92%	3.03%	5.64%	8.67%	1.0400	9.02%
Northwest Natural Gas Company	NWN	3.85%	3.93%	3.27%	7.20%	1.0400	7.49%
Piedmont Natural Gas Company, Inc	PNY	3.40%	3.47%	3.15%	6.62%	1.0400	6.88%
South Jersey Industries, Inc.	SJI	3.49%	3.64%	6.82%	10.46%	1.0400	10.88%
Southwest Gas Corporation	SWX	2.49%	2.58%	6.07%	8.65%	1.0400	9.00%
WGL Holdings, Inc.	WGL	3.31%	3.40%	4.57%	7.97%	1.0400	8.29%
High					10.46%		10.88%
3 rd Quartile					8.66%		9.00%
2nd Quartile (Median)					8.08%		8.40%
1 st Quartile					7.53%		7.83%
Low					6.62%		6.88%

Montana-Dakota Utilities Co.

**Selected Natural Gas Distribution Companies
 Basic DCF Calculation**

Company	Ticker	Dividend Yield	Dividend Yield x (1 +	Expected Growth Rate (g)	Secondary Market:	Flotation Cost Adjustment	Primary Market:
					Investor Required Return		Cost of Capital
Atmos Energy Corporation	ATO	2.84%	2.96%	7.00%	9.96%	1.0400	10.36%
Laclede Group, Inc. (The)	LG	3.50%	3.61%	4.79%	8.39%	1.0400	8.73%
New Jersey Resources Corporation	NJR	2.92%	3.03%	6.00%	9.03%	1.0400	9.40%
Northwest Natural Gas Company	NWN	3.85%	3.95%	4.00%	7.95%	1.0400	8.27%
Piedmont Natural Gas Company, Inc	PNY	3.40%	3.51%	5.00%	8.51%	1.0400	8.85%
South Jersey Industries, Inc.	SJI	3.49%	3.62%	6.00%	9.62%	1.0400	10.01%
Southwest Gas Corporation	SWX	2.49%	2.56%	4.75%	7.31%	1.0400	7.60%
WGL Holdings, Inc.	WGL	3.31%	3.44%	6.25%	9.69%	1.0400	10.07%
High					9.96%		10.36%
3 rd Quartile					9.64%		10.03%
2nd Quartile (Median)					8.77%		9.12%
1 st Quartile					8.28%		8.61%
Low					7.31%		7.60%

Montana-Dakota Utilities Co.

**Selected Natural Gas Distribution Companies
 Blended Growth Rate DCF Calculation**

Company	Ticker	Dividend Yield	Dividend Yield x (1 +	Expected Growth Rate (g)	Secondary Market:	Flotation Cost Adjustment	Primary Market:
					Investor Required Return		Cost of Capital
Atmos Energy Corporation	ATO	2.84%	2.95%	6.13%	9.07%	1.0400	9.44%
Laclede Group, Inc. (The)	LG	3.50%	3.60%	4.42%	8.01%	1.0400	8.33%
New Jersey Resources Corporation	NJR	2.92%	3.03%	5.82%	8.85%	1.0400	9.21%
Northwest Natural Gas Company	NWN	3.85%	3.94%	3.64%	7.58%	1.0400	7.88%
Piedmont Natural Gas Company, Inc	PNY	3.40%	3.49%	4.08%	7.56%	1.0400	7.86%
South Jersey Industries, Inc.	SJI	3.49%	3.63%	6.41%	10.04%	1.0400	10.44%
Southwest Gas Corporation	SWX	2.49%	2.57%	5.41%	7.98%	1.0400	8.30%
WGL Holdings, Inc.	WGL	3.31%	3.42%	5.41%	8.83%	1.0400	9.18%
High					10.04%		10.44%
3 rd Quartile					8.91%		9.26%
2nd Quartile (Median)					8.42%		8.76%
1 st Quartile					7.88%		8.20%
Low					7.56%		7.86%