

Exhibit B

**MONTANA-DAKOTA UTILITIES CO.
DEPRECIATION RATES
GAS UTILITY - SOUTH DAKOTA SETTLEMENT**

Acct. No.	Account	Proposed Depreciation Rate	Settlement Depreciation Rate	Rate Change
	<u>Distribution Plant</u>			
374.2	Rights of Way	1.46%	1.46%	
375	Structures & Improvements	1.29%	1.29%	
376	Mains	2.80%	1.85%	-0.95%
378	Meas. & Reg. Equip.-General	2.35%	2.35%	
379	Meas. & Reg. Equip.-City Gate	2.14%	2.14%	
380	Services	3.03%	3.03%	
381	Meters	5.43%	5.43%	
383	Service Regulators	1.70%	1.70%	
385	Industrial Meas. & Reg. Station Equipmen	2.48%	2.48%	
387.2	Other Distribution Equip.	2.49%	2.49%	
	<u>General Plant</u>			
390	Structures & Improvements	1.76%	1.76%	
391.1	Office Furniture & Fixtures	19.63%	19.63%	
391.3	Computer Equipment - PC	19.36%	19.36%	
392.1	Transportation Equip. - Non-Unitized	0.49%	0.49%	
392.2	Transportation Equip. - Unitized	9.69%	9.69%	
393	Stores Equipment	4.05%	4.05%	
394.1	Tools,Shop & Garage Equipment	4.62%	4.62%	
395	Laboratory Equipment	13.63%	13.63%	
396.1	Trailers - Work Equipment	1.29%	1.29%	
396.2	Power Operated Equipment	30.48%	30.48%	
397.1	Radio Communication Equip. - Fixed	7.49%	7.49%	
397.2	Radio Communication Equip. - Mobile	7.82%	7.82%	
397.3	Telephone Communication Equip.	12.70%	12.70%	
397.8	Network Equipment	23.65%	23.65%	
398	Miscellaneous Equipment	8.38%	8.38%	
	<u>Common Plant</u>			
390	Structures & Improvements	2.57%	2.57%	
391.1	Office Furniture & Fixtures	6.81%	6.81%	
391.3	Computer Equipment - PC	24.37%	24.37%	
391.5	Computer Equipment - Other	23.70%	23.70%	
392.1	Transportation Equip. - Non-Unitized	3.42%	3.42%	
392.2	Transportation Equip. - Unitized	9.65%	9.65%	
392.3	Transportation Equip. - Aircraft	4.00%	4.00%	
393	Stores Equipment	2.94%	2.94%	
394.1	Tools,Shop & Garage Equipment	1.27%	1.27%	
394.3	Vehicle Maintenance Equipment	5.00%	5.00%	
394.4	Vehicle Refueling Equip.	0.00%	0.00%	
397.1	Radio Communication Equip. - Fixed	7.04%	7.04%	
397.2	Radio Communication Equip. - Mobile	7.05%	7.05%	
397.3	Telephone Communication Equip.	11.83%	11.83%	
397.5	Supervisory & Telephone Equip.	27.74%	27.74%	
397.8	Network Equipment	25.14%	25.14%	
398	Miscellaneous Equipment	3.05%	3.05%	