

Montana-Dakota Utilities Co.
Electric Utility- Total Company & South Dakota
Production Tax Credit Waiver
Average Revenue Requirement Summary

	Average Total Company Repower	Average Total Company No Repower	Average South Dakota Repower 1/	Average South Dakota No Repower 1/
Interest Expense	(\$261,763)	(\$97,016)	(\$12,433)	(\$4,608)
Depreciation	(699,688)	(240,965)	(33,232)	(11,445)
Pre-Tax Income	<u>(\$961,451)</u>	<u>(\$337,982)</u>	<u>(\$45,665)</u>	<u>(\$16,053)</u>
Income Taxes	\$201,905	\$70,976	\$9,590	\$3,371
Earnings after Interest	<u>(\$759,546)</u>	<u>(\$267,005)</u>	<u>(\$36,075)</u>	<u>(\$12,682)</u>
Earnings before Interest	\$552,753	\$190,363	\$26,253	\$9,041
Average Equity Balance	<u>(71,389,970)</u>	<u>(1,763,930)</u>	<u>(3,390,694)</u>	<u>(83,779)</u>
Return on Equity - Pre-tax	557,263	206,536	26,467	9,810
Less: Production Tax Credit 2/	(1,048,078)	0	(49,779)	0
Average Revenue Requirement	<u><u>\$470,637</u></u>	<u><u>\$544,518</u></u>	<u><u>\$22,353</u></u>	<u><u>\$25,862</u></u>
Average Cost per kWh	0.00758	0.01051	0.00758	0.01051
Annual kWh Generated	62,098,622	51,786,054	2,949,398	2,459,599
Capacity Factor	36.4%	30.3%	36.4%	30.3%

1/ Based on Allocation Factor 271:

4.749539%

2/ Grossed up for federal income tax at 21%.