

Montana-Dakota Utilites Co.
Gas Utility - South Dakota

Gas Conservation Tracking Adjustment Rate 90
Effective April 1, 2012

	<u>Black Hills</u>	<u>East River</u>
DSM Balance as of December 31, 2011 1/	(\$17,708)	\$6,125
2011 DSM Incentive 2/	9,484	2,020
2012 Budget 3/	<u>69,300</u>	<u>16,408</u>
Gas DSM Costs to be Recovered	\$61,076	\$24,553
Projected Volumes 4/	<u>3,276,000</u>	<u>488,728</u>
CTA Rate Effective April 1, 2012	<u>\$0.019</u>	<u>\$0.050</u>

1/ Revised Exhibit 2, Page 2.

2/ Revised Exhibit 3.

3/ Revised Exhibit 5. Excludes the Energy Audit program expenditures.

4/ Projected volumes from April 1, 2012 through December 31, 2012.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota
Conservation Program Activity
September 1, 2010 through December 31, 2011**

Program Activity	Black Hills	East River
Beginning Balance as of August 31, 2010 1/	(\$46,473)	(\$6,055)
Current Activity		
Actual Expenditures 2/	84,423	21,772
CTA Recovered 2/	55,658	9,592
Balance as of December 31, 2011	(\$17,708)	\$6,125

1/ Total Costs to be Recovered, Exhibit 2, Page 2 of 6, Docket No. NG10-009, effective November 1, 2010.

2/ Revised Exhibit 2, Pages 3 and 4. Including the carrying charge.

Montana-Dakota Utilities Co.
Gas Utility - South Dakota

Black Hills
Conservation Monthly Account Balances
September 2010 through December 2011

Month	Beginning Balance	Carrying Charge 1/	Current Month Charges	CTA Recovery	(Over)/Under Recovery
Previous Balance 2/					(\$46,473)
September 2010	(\$46,473)	(\$70)	\$5,304	\$2,604	(43,843)
October	(43,843)	(57)	7,692	3,217	(39,425)
November	(39,425)	(55)	8,108 3/	4,631	(36,003)
December	(36,003)	(50)	12,835	5,652	(28,870)
January 2011	(28,870)	(43)	7,260	7,002	(28,655)
February	(28,655)	(37)	7,184	6,213	(27,721)
March	(27,721)	(28)	4,872	6,404	(29,281)
April	(29,281)	(18)	2,378	3,689	(30,610)
May	(30,610)	(12)	2,203	2,873	(31,292)
June	(31,292)	(13)	2,470	1,888	(30,723)
July	(30,723)	(12)	1,248	929	(30,416)
August	(30,416)	(6)	3,539	808	(27,691)
September	(27,691)	(3)	5,158	844	(23,380)
October	(23,380)	(5)	3,848	1,211	(20,748)
November	(20,748)	(2)	5,144	2,623	(18,229)
December	(18,229)	(2)	5,593	5,070	(17,708)
Total		<u>(\$413)</u>	<u>\$84,836</u>	<u>\$55,658</u>	

1/ Reflects 90-day Treasury Bill rate.

2/ Total program costs to be recovered in Docket No. NG10-009, Exhibit 2, page 2 of 6.

3/ Reflects DSM incentive amount of \$4,049 authorized in Docket No. NG10-009.

Montana-Dakota Utilities Co.
Gas Utility - South Dakota

East River
Conservation Monthly Account Balances
September 2010 through December 2011

Month	Beginning Balance	Carrying Charge 1/	Current Month Charges	CTA Recovery	(Over)/Under Recovery
Previous Balance 2/					(\$6,055)
September 2010	(\$6,055)	(\$9)	\$1,452	\$262	(4,874)
October	(4,874)	(6)	3,412	407	(1,875)
November	(1,875)	(3)	1,999 3/	728	(607)
December	(607)	(1)	3,500	993	1,899
January 2011	1,899	3	1,712	1,337	2,277
February	2,277	3	343	1,182	1,441
March	1,441	1	841	1,233	1,050
April	1,050	1	382	714	719
May	719	0	980	476	1,223
June	1,223	0	546	213	1,556
July	1,556	1	7	109	1,455
August	1,455	0	620	112	1,963
September	1,963	0	470	101	2,332
October	2,332	0	325	166	2,491
November	2,491	0	2,215	543	4,163
December	4,163	0	2,978	1,016	6,125
Total		<u>(\$10)</u>	<u>\$21,782</u>	<u>\$9,592</u>	

1/ Reflects 90-day Treasury Bill rate.

2/ Total program costs to be recovered in Docket No. NG10-009, Exhibit 2, page 2 of 6.

3/ Reflects DSM Incentive amount of \$791 authorized in Docket No. NG10-009.

**Montana-Dakota Utilities Co.
Gas Utility - South Dakota**

**Summary of Actual DSM Expenditures
September 2010 through December 2011**

<u>Black Hills DSM Programs</u>	<u>Incentive</u>	<u># of Participants</u>	<u>Cost</u>
High Efficiency Furnace - 92-94%	\$150	8	\$1,200
High Efficiency Furnace - 95%+	300	165	49,500
High Efficiency Water Heater	50	20	1,000
Programmable Thermostats	20	101	2,020
Attic Insulation	1/	24	7,950
New Construction Bundle	2/	8	2,100
Administrative Costs			9,948
DSM Incentive			4,049
Advertising			7,069
Total		<u>326</u>	<u>\$84,836</u>

<u>East River DSM Programs</u>	<u>Incentive</u>	<u># of Participants</u>	<u>Cost</u>
High Efficiency Furnace - 92-94%	\$150	10	\$1,500
High Efficiency Furnace - 95%+	300	49	14,700
High Efficiency Water Heater	50	4	200
Programmable Thermostats	20	33	660
Attic Insulation	1/	0	0
New Construction Bundle	2/	0	0
Administrative Costs			552
DSM Incentive			791
Advertising			3,379
Total		<u>96</u>	<u>\$21,782</u>

1/ Rebate dependent on the beginning and ending R-value of the insulation installed, square footage of installed insulation, and whether self installed or by a contractor.

2/ The heating and water heating equipment bundle rebate is \$300. The insulation bundle is an additional \$100.