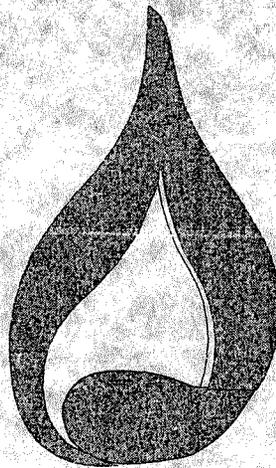


YEAR ENDING 2003

ANNUAL REPORT
OF
**Montana-Dakota Utilities
Company**
GAS UTILITY



RECEIVED BY
2004 APR 30 AM 9:24
PUBLIC SERVICE
COMMISSION

TO THE
PUBLIC SERVICE COMMISSION
STATE OF MONTANA
1701 PROSPECT AVENUE
P.O. BOX 202601
HELENA, MT 59620-2601

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

April 29, 2004

Ms. Kate Whitney, Administrator
Utility Division
Montana Public Service Commission
1701 Prospect Avenue
Helena, MT 59620

Re: Annual Reports

RECEIVED BY
PUBLIC SERVICE
COMMISSION
APR 30 AM 9:22

Dear Ms. Whitney:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith submits two copies of its Electric and Gas Annual Reports for the year ended December 31, 2003. One CD copy of the reports is also enclosed.

Data relating to Schedules 14, 15 and 16 of the electric and gas reports, as well as the supplier information required for Schedule 33 of the gas report is proprietary and confidential. Montana-Dakota will provide a Motion for Protective Order relating to the information. Upon issuance of a protective order, Montana-Dakota will provide the information to the Commission and the Montana Consumer Counsel as proprietary schedules.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Sincerely,



Donald R. Ball
Assistant Vice President -
Regulatory Affairs

Enclosures
c: Montana Consumer Counsel

Gas Annual Report

Instructions

General

1. A Microsoft EXCEL 2000 workbook of the annual report is being provided on computer disk for your convenience. The workbook contains the schedules of the annual report. Each schedule is on the worksheet named that schedule. For example, Schedule 1 is on the sheet titled "Schedule 1". By entering your company name in the cell named "Company" of the first worksheet, the spreadsheet will put your company name on all the worksheets in the workbook. The same is true for inputting the year of the report in the cell named "YEAR". You can "GOTO" the proper cell by using the F5 key and selecting the name of the cell.
2. The workbook contains input sections that are unprotected, and non-input sections that are protected. Cell protection can be disabled or enabled through "TOOLS – PROTECTION – UNPROTECT SHEET" on your toolbar. Formulas and checks are built into most of the templates.
3. Use of the disk is optional. The disk and the report cover shall be returned when the report is filed. There are macros built into the workbook to assist you with the report. An explanation of the macros is on the "Control" worksheet at the front of the workbook. The explanations start at cell A1.
4. All forms must be filled out in permanent ink and be legible. Note: Even if the computer disk is used, a printed version of the report shall be filed. **Please submit one unbound copy of the annual report along with the regular number of annual reports that you submit.** This aids in scanning the report so that it may be published on our web site. The orientation and margins are set up on each individual worksheet and should print on one page. If you elect not to use the disk, please format your reports to fit on one 8.5" by 11" page with the left binding edge (top if landscaped) set at .85", the right edge (bottom if landscaped) set at .4", and the remaining two margins at .5". You may select specific schedules to print – See the worksheet "CONTROL".
5. Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ().
6. Where space is a consideration, information on financial schedules may be rounded to thousands of dollars. Companies submitting schedules rounded to thousands shall so indicate at the top of the schedule.
7. Where more space is needed or more than one schedule is needed additional schedules may be attached and shall be included directly behind the original schedule to which it pertains and be labeled accordingly (for example, Schedule 1A).
8. The information required with respect to any statement shall be furnished as a minimum requirement to which shall be added such further information as is necessary to make the required schedules not misleading.
9. All companies owned by another company shall attach a corporate structure chart of the holding company.

10. Schedules that have no activity during the year or are not applicable to the respondent shall be marked as not applicable and submitted with the report.

11. The following schedules shall be filled out with information on a total company basis:

Schedules 1 through 5
Schedules 6 and 7
Schedule 14
Schedule 17 and 18
Schedules 23 through 26
Schedule 33

All other schedules shall be filled out with either Montana specific data, or both total company and Montana specific data, as indicated in the schedule titles and headings.

Financial schedules shall include all amounts originating in Montana or allocated to Montana from other jurisdictions.

12. For schedules where information may be provided using Mcf or Dkt, circle Mcf or Dkt to indicate which measurement is being reported. (For example, schedules 28, 32, 33 and 34).
13. FERC Form-2 sheets may not be substituted in lieu of completing annual report schedules.
14. Common sense must be used when filling out all schedules.

Specific Instructions

Schedules 6 and 7

1. All transactions with affiliated companies shall be reported. The definition of affiliated companies as set out in 18 C.F.R. Part 201 shall be used.
2. Column (c). Respondents shall indicate in column (c) the method used to determine the price. Respondents shall indicate if a contract is in place between the Affiliate and the Utility. If a contract is in place, respondents shall indicate the year the contract was initiated, the term of the contract and the method used to determine the contract price.
3. Column (c). If the method used to determine the price is different than the previous year, respondents shall provide an explanation, including the reason for the change.

Schedules 8, 18, and 23

1. Include all notes to the financial statements required by the FERC or included in the financial statements issued as audited financial statements. These notes shall be included in the report directly behind the schedules and shall be labeled appropriately (Schedule 8A, etc.).

Schedule 12

1. Respondents shall disclose all payments made during the year for services where the aggregate payment to the recipient was \$5,000 or more. Utilities having jurisdictional revenue equal to or in excess of \$1,000,000 shall report aggregate payments of \$25,000 or more. Utilities having jurisdictional revenue

equal to or in excess of \$10,000,000 shall report aggregate payments of \$75,000 or more. Payments must include fees, retainers, commissions, gifts, contributions, assessments, bonuses, subscriptions, allowances for expenses or any other form of payment for services or as a donation.

Schedule 14

1. Companies with more than one plan (for example, both a retirement plan and a deferred savings plan) shall complete a schedule for each plan.
2. Companies with defined benefit plans must complete the entire form using FASB 87 and 132 guidelines.
3. Interest rate percentages shall be listed to two decimal places.

Schedule 15

1. All changes in the employee benefit plans shall be explained in a narrative on lines 15 and 16. All cost containment measures implemented in the reporting year shall be explained and quantified in a narrative on lines 15 and 16. All assumptions used in quantifying cost containment results shall be disclosed.
2. Schedule 15 shall be filled out using FASB 106 and 132 guidelines.

Schedule 16

1. Include in the "other" column ALL additional forms of compensation, including, but not limited to: deferred compensation, deferred savings plan, profit sharing, supplemental or non-qualified retirement plan, employee stock ownership plan, restricted stock, stock options, stock appreciation rights, performance share awards, dividend equivalent shares, mortgage payments, use of company cars or car lease payments, tax preparation consulting, financial consulting, home security systems, company-paid physicals, subscriptions to periodicals, memberships, association or club dues, tuition reimbursement, employee discounts, and spouse travel.
2. The above compensation items shall be listed separately. Where more space is needed additional schedules may be attached directly behind the original schedule.

Schedule 17

1. Respondents shall provide all executive compensation information in conformance with that required by the Securities and Exchange Commission (SEC) (Regulation S-K Item 402, Executive Compensation).
2. Include in the "other" column ALL additional forms of compensation, including, but not limited to: deferred compensation, deferred savings plan, profit sharing, supplemental or non-qualified retirement plan, employee stock ownership plan, restricted stock, stock options, stock appreciation rights, performance share awards, dividend equivalent shares, mortgage payments, use of company cars or car lease payments, tax preparation consulting, financial consulting, home security systems, company-paid physicals, subscriptions to periodicals, memberships, association or club dues, tuition reimbursement, employee discounts, and spouse travel.
3. All items included in the "other" compensation column shall be listed separately. Where more space is needed additional schedules may be attached directly behind the original schedule.
4. In addition, respondents shall attach a copy of the executive compensation information provided to the SEC.

Schedule 24

1. Interest expense and debt issuance expense shall be included in the annual net cost column.

Schedule 26

1. Earnings per share and dividends per share shall be reported on a quarterly basis and entries shall be made only to the months that end the respective quarters (for example, March, June, September, and December.)
2. The retention and price/earnings ratios shall be calculated on a year end basis. Enter the actual year end market price in the "TOTAL Year End" row. If the computer disk is used, enter the year end market price in the "High" column.

Schedule 27

1. All entries to lines 9 or 16 must be detailed separately on an attached sheet.
2. Only companies who have specifically been authorized in a Commission Order to include cash working capital in ratebase may include cash working capital in lines 9 or 16. Cash working capital must be calculated using the methodology approved in the Commission Order. The Commission Order specifying cash working capital shall be noted on the attached sheet.
2. Indicate, for each adjustment on lines 28 through 46, if the amount is updated or is from the last rate case. All adjustments shall be calculated using Commission methodology.

Schedule 28

1. Information from this schedule is consolidated with information from other Utilities and reported to the National Association of Regulatory Utility Commissioners (NARUC). Your assistance in completing this schedule, even though information may be located in other areas of the annual report, expedites reporting to the NARUC and is appreciated.

Schedule 31

1. This schedule shall be completed for the year following the reporting year.
2. Respondents shall itemize projects of \$50,000 or more. Utilities having jurisdictional revenue equal to or in excess of \$1,000,000 shall itemize projects of \$100,000 or more. Utilities having jurisdictional revenue equal to or in excess of \$10,000,000 shall itemize projects of \$1,000,000 or more. All projects that are not itemized shall be reported in aggregate and labeled as Other.

Schedule 34

1. In addition to a description, the year the program was initiated and the projected life of the program shall be included in the program description column.
2. On an attached sheet, define program "participant" and program conservation "unit" for each program. Also, provide the number of program participants and the number of units acquired or processed during this reporting year.

Gas Annual Report

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IDENTIFICATION

Year: 2003

1.	Legal Name of Respondent:	MDU Resources Group, Inc.
2.	Name Under Which Respondent Does Business:	Montana-Dakota Utilities Co.
3.	Date Utility Service First Offered in Montana	1920
4.	Address to send Correspondence Concerning Report:	Montana-Dakota Utilities Co. 400 North Fourth Street Bismarck, ND 58501
5.	Person Responsible for This Report:	Donald R. Ball
5a.	Telephone Number:	(701) 222-7630
Control Over Respondent		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
	1a. Name and address of the controlling organization or person:	
	1b. Means by which control was held:	
	1c. Percent Ownership:	

SCHEDULE 2

Board of Directors 1/		
Line No.	Name of Director and Address (City, State) (a)	Remuneration (b)
1	Martin A. White, Bismarck, ND	-
2	Ronald D. Tipton, Bismarck, ND	-
3	Bruce T. Imsdahl, Bismarck, ND	-
4	Lester H. Loble II, Bismarck, ND 2/	-
5	Ronald G. Skarphol, Bismarck, ND	-
6	Warren L. Robinson, Bismarck, ND	-
7		
8		
9		
10		
11		
12	1/ Montana-Dakota Utilities Co. is a division of MDU Resources Group, Inc.,	
13	and has no Board of Directors. The affairs of the Company are managed by	
14	a Managing Committee, the members of which are provided herein rather	
15	than the directors of MDU Resources Group, Inc.	
16	2/ Lester H. Loble, II retired on 1/02/2004.	

Officers

Year: 2003

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	Chief Executive Officer	Executive	Ronald D. Tipton
2			
3	President	Executive	Bruce T. Imsdahl
4			
5	Vice President	Gas Supply and Office Services	Donald F. Klempel 1/
6			
7	Vice President	Electric Supply	Andrea L. Stomberg 2/
8			
9	Executive Vice President	Business Development and Strategic Planning	Dennis L. Haider
10			
11			
12	Vice President	Operations	David L. Goodin
13			
14	Vice President, Controller and Chief Accounting Officer	Accounting, Information Systems, Fleet and Procurement	Craig A. Keller
15			
16			
17			
18	Vice President	Human Resources	Richard D. Spratt
19			
20	Assistant Vice President	Regulatory Affairs	Donald R. Ball
21			
22	1/ Effective 8/11/2003, Donald F. Klempel assumed the title of Vice President.		
23			
24	2/ Effective 8/11/2003, Andrea, L. Stomberg assumed the title of Vice President.		
25			
26			
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CORPORATE STRUCTURE

Year: 2003

	Subsidiary/Company Name	Line of Business	Earnings (000's)	Percent of Total
1	Montana-Dakota Utilities Co./	Electric and Natural Gas Distribution	\$20,819	11.92%
2	Great Plains Natural Gas Co.			
3	(Divisions of MDU Resources			
4	Group, Inc.)			
5				
6	WBI Holdings, Inc.	Pipeline and Energy Services and Natural Gas and Oil Production	81,185 *	46.50%
7				
8		Construction Materials and Mining	54,412 *	31.16%
9	Knife River Corporation			
10		Utility Services	6,170	3.53%
11	Utility Services, Inc.			
12		Independent Power Production and Other	12,021	6.89%
13	Centennial Energy Resources LLC			
14	/Centennial Holdings Capital Corp.			
15				
16				
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50	TOTAL		\$174,607	100.00%

* Includes the cumulative effect of the change in accounting for asset retirement obligations required by the adoption of SFAS No. 143.

CORPORATE ALLOCATIONS - GAS

Year: 2003

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Audit Costs	Administrative & General	Various Corporate Overhead Allocation Factors	\$2,113	2.67%	\$76,887
2						
3	Advertising	Administrative & General	Various Corporate Overhead Allocation Factors, and/or Actual Costs Incurred	2,594	2.63%	96,124
4						
5						
6	Air Service	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	3,894	2.26%	168,129
7						
8						
9	Automobile	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	560	3.09%	17,588
10						
11						
12	Bank Services	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	11,301	2.67%	411,267
13						
14						
15	Corporate Aircraft	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	3,650	2.19%	162,951
16						
17						
18	Consultant Fees	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	43,656	4.11%	1,018,834
19						
20						
21	Contract Services	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	50,117	3.50%	1,379,950
22						
23						
24	Directors Expenses	Administrative & General	Corporate Overhead Allocation Factor Based on a Combination of Net Plant Investment and Number of Employees	41,550	2.66%	1,520,140
25						
26						
27						
28	Employee Benefits	Administrative & General	Corporate Overhead Allocation Factor Based on Number of Employees	4,062	2.74%	144,315
29						

CORPORATE ALLOCATIONS - GAS

Year: 2003

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Employee Meetings	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	3,341	2.67%	121,935
2						
3						
4	Employee Reimbursable Expenses	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	6,413	2.47%	252,785
5						
6						
7	Express Mail	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	13	1.42%	903
8						
9						
10	Legal Retainers & Fees	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	36,912	2.66%	1,350,823
11						
12						
13	Meal Allowance	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	108	2.89%	3,625
14						
15						
16	Meals & Entertainment	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	4,143	2.54%	159,133
17						
18						
19	Moving Expense	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	6,769	2.78%	236,420
20						
21						
22	Industry Dues & Licenses	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	3,643	3.22%	109,400
23						
24						
25	Office Expenses	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	4,595	2.74%	163,234
26						
27						
28	Prepaid Insurance	Administrative & General	Various Corporate Overhead Allocation Factors and Allocation Factors Based on Actual Experience	40,201	1.82%	2,169,177
29						

CORPORATE ALLOCATIONS - GAS

Year: 2003

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Permits and Filing Fees	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	628	2.65%	23,038
2						
3						
4	Postage	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	919	2.67%	33,471
5						
6						
7	Payroll	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	374,536	2.89%	12,578,827
8						
9						
10	Rental	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	502	4.07%	11,824
11						
12						
13	Reference Materials	Administrative & General	Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	3,042	2.74%	108,140
14						
15						
16	Seminars & Meeting Registrations	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	1,750	2.70%	63,144
17						
18						
19	Software Maintenance	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	3,136	2.67%	114,122
20						
21						
22	Training Material	Administrative & General	Various Corporate Overhead Allocation Factors, Time Studies, and/or Actual Costs Incurred	1,957	2.67%	71,355
23						
24						
25	TOTAL			\$656,105	2.83%	\$22,567,541

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	KNIFE RIVER CORPORATION	Expense	Actual Costs Incurred			
2		Materials				
3		Permits and Filing Fees				
4						
5						
6		Capital				
7		Contract Services				
8		Materials				
9		Permits and Filing Fees				
10						
11						
12						
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15						
16						
17						
18						
19						
20						
21		Total Knife River Corporation Operating Revenues for the Year 2003				
22						
23						
24						
25	TOTAL	Grand Total Affiliate Transactions		\$20,117	0.0018%	\$1,220

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	WBI HOLDINGS, INC	Natural Gas	Actual Costs Incurred	\$71,888,370		\$20,804,759
2		Purchases/Transportation				
3		Expense	Actual Costs Incurred			
4		Contract Services		10,737		4,988
5		Legal Fees		77,225		19,668
6		Materials		1,018		1,000
7		Seminars and Meeting Reg.		1,645		498
8		Office Supplies		1,478		391
9		Software Maintenance		294		75
10		Reference Materials		3,406		838
11		Reimbursable Expense		1,574		1,174
12		Capital	Actual Costs Incurred			
13		Contract Services		49,401		
14		Office Supplies		6		
15		Reimbursable Expense		877		
16		Material		10,263		
17		Other Transactions/Reimbursements	Actual Costs Incurred			
18		Miscellaneous		8,509		
19		Auto Clearing		907		
20		Total WBI Operating Revenues for the Year 2003			\$516,550,100	
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31	TOTAL	Grand Total Affiliate Transactions		\$72,055,710	13.9494%	\$20,833,391

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	UTILITY SERVICES, INC.	Expense				
2		Contract Services	Actual Costs Incurred	\$134		\$35
3						
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27						
28		Total USI Operating Revenues for the Year 2003			\$434,177,362	
29						
30						
31						
32	TOTAL	Grand Total Affiliate Transactions		\$134	0.0000%	\$35

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY - GAS

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	CENTENNIAL ENERGY RESOURCES/CHCC	Expense	* Various Corporate Overhead Allocation Factors and/or Actual Costs Incurred	\$215,541	\$34,989,026	\$65,934
2		Corporate Aircraft Rent		101,358		25,815
3		Cost of Service		55,874		14,231
4						
5		Capital				
6		Corporate Aircraft		3,655		
7						
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22		Total Centennial Energy Resources/CHCC Operating Revenues for the Year 2003				
23						
24						
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27						
28						
29	TOTAL	Grand Total Affiliate Transactions		\$376,428	1.0758%	\$105,980

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	KNIFE RIVER CORPORATION	MDU RESOURCES GROUP, INC.	* Various Corporate Overhead Allocation Factors, Time Studies and/or Actual Costs Incurred			
2		Corporate Overhead				
3		Audit Costs			\$34,207	
4		Advertising			42,001	
5		Air Service			68,260	
6		Automobile			3,873	
7		Bank Services			182,972	
8		Corporate Aircraft			60,803	
9		Consultant Fees			370,322	
10		Contract Services			541,815	
11		Directors Expenses			674,522	
12		Employee Benefits			63,032	
13		Employee Meeting			54,244	
14		Employee Reimbursable Expense			98,766	
15		Express Mail			197	
16		Insurance			1,063,320	
17		Legal Retainers & Fees			597,663	
18		Moving Allowance			96,856	
19		Meal Allowance			1,441	
20		Cash Donations			51,615	
21		Meal & Entertainment			61,578	
22		Industry Dues & Licenses			40,404	
23		Office Expenses			70,942	
24		Supplemental Insurance			792,968	
25		Permits & Filing Fees			10,170	
26		Postage			14,869	
27		Payroll			4,935,406	
28		Reference Materials			47,026	
29		Rental			3,454	
30		Seminars & Meeting Registrations			25,466	
31		Software Maintenance			50,772	
32		Training			31,695	
33		Total MDU Resources Group, Inc.			\$10,090,659	0.9963%

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	KNIFE RIVER CORPORATION	MONTANA-DAKOTA UTILITIES CO.	* Various Corporate Overhead Allocation Factors, Cost of Service Factors, Time Studies and /or Actual Costs Incurred			
2	Communications Department					
3	Automobile			\$50		
4	Air Service			59		
5	Employee Reimbursable Expense			276		
6	Materials			214		
7	Office Expenses			499		
8	Office Telephone			131,857		
9	Organizational Dues			58		
10	Payroll			41,303		
11	Permits & Filing Fees			236		
12	Seminars & Meeting Registrations			181		
13						
14	Office Services					
15	Automobile			22		
16	Employee Meetings			56		
17	Express Mail			12,559		
18	Rental of Office Equipment			523		
19	Office Expenses			8,255		
20	Postage			8,629		
21	Cost of Service - General Office Buildings			274,766		
22						
23						
24	Information Systems					
25	Automobile			34		
26	Air Service			86		
27	Contract Services			858		
28	Employee Reimbursable Expense			88		
29	Meals & Entertainment			76		
30	Office Expenses			10,205		
31						
32						
						\$65,204

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	KNIFE RIVER CORPORATION					
2		Professional Organ. Dues		40		
3		Payroll		26,421		
4		Seminars & Meeting Registrations		162		
5		Software Maintenance		451		
6						
7		Other Miscellaneous Departments	* Various Corporate Overhead Allocation Factors and /or Actual Costs Incurred			
8		Automobile		41		
9		Office Supplies		766		
10		Employee Reimbursable Expense		11		
11		Payroll		1,303		
12						
13						
14		Other Direct Charges	Actual Costs Incurred			
15		Employee Discounts		45,046		5,740
16		Corporate/Commercial Air Service		42,013		
17		Computer/Software Support		226,628		
18		Electric Consumption		32,009		
19		Gas Consumption		72,948		
20		Telephone		17,774		
21		Miscellaneous		42,296		62,959
22						
23						
24		Total Montana-Dakota Utilities Co.		\$998,799	0.0986%	\$133,903

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services TRANSACTIONS/REIMBURSEMENTS	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	KNIFE RIVER CORPORATION	OTHER TRANSACTIONS/REIMBURSEMENTS				
2		Insurance		4,618,261		
3		Federal & State Tax Liability Payments		33,664,441		
4		KESOP carrying costs		459,495		
5		Tax Deferred Savings Plan		142,290		
6		Interest		(18,704)		
7		Miscellaneous Reimbursements		18,520		
8						
9						
10		Total Other Transactions/Reimbursements		\$38,884,303	3.8392%	
11						
12		Grand Total Affiliate Transactions		\$49,973,761	4.9341%	\$133,903
13						
14						
15						
16		Total Knife River Corporation Operating Expenses for 2003			\$1,012,829,380	

* Corporate overhead allocation factors are derived from net plant investment and number of employees. A cost of service allocation factor for the general office complex is derived by the ratio of MDU Resources and Montana-Dakota Utilities payroll allocated to affiliated companies to the total payroll costs for employees located in the general office complex. Cost of service allocation factors are also derived for office supplies, computer facilities and fixed and mobile radios based on usage of such supplies/facilities by affiliated companies.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	MDU RESOURCES GROUP, INC.	* Various Corporate Overhead Allocation Factors, Time Studies and/or Actual Costs Incurred			
2		Corporate Overhead		\$19,513		
3		Audit Costs		25,677		
4		Advertising		44,697		
5		Air Service		6,433		
6		Automobile		104,374		
7		Bank Services		39,663		
8		Corporate Aircraft		269,738		
9		Consultant Fees		319,485		
10		Contract Services		376,100		
11		Directors Expenses		37,289		
12		Employee Benefits		30,943		
13		Employee Meeting		65,180		
14		Employee Reimbursable Expense		544		
15		Express Mail		601,952		
16		Insurance		348,128		
17		Legal Retainers & Fees		894		
18		Meal Allowance		32,610		
19		Meal Donations		40,799		
20		Meal & Entertainment		61,931		
21		Moving Expense		29,795		
22		Industry Dues & Licenses		41,919		
23		Office Expenses		452,340		
24		Supplemental Insurance		5,800		
25		Permits & Filing Fees		8,529		
26		Postage		3,271,667		
27		Payroll		27,342		
28		Reference Materials		3,385		
29		Rental		16,412		
30		Seminars & Meeting Registrations		28,963		
31		Software Maintenance		18,159		
32		Training Material				
33		Total MDU Resources Group, Inc.		\$6,330,261		2.6318%

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility	
1	WBI HOLDINGS, INC.	MONTANA-DAKOTA UTILITIES CO.	* Various Corporate Overhead Allocation Factors, Cost of Service Factors, Time Studies and /or Actual Costs Incurred				
2		Communications Department Expense					
3		Automobile			\$782		
4		Air Service			58		
5		Annual Easements			1,236		
6		Contract Services			2,556		
7		Employee Reimbursable Expense			384		
8		Materials			532		
9		Meals & Entertainment			223		
10		Office Expenses			161		
11		Office Telephone			52,246		
12		Payroll			20,653		
13		Permits & Filing Fees			299		
14		Photocopier			167		
15		Professional Organ Dues			14		
16		Seminars & Meeting Registrations			134		
17		Utilities			2,991		
18							
19							
20		Office Services		* General Office Complex and Office Supplies cost of Service Allocation Factors			
21		Expense					
22		Automobile			35		
23		Employee Meetings			95		
24		Express Mail			7,163		
25		Office Expenses			35,837		
26		Postage			4,957		
27		Cost of Service - General Office Buildings			351,265		
28							\$83,357

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price Factors, Cost of Service Factors, Time Studies and /or Actual Costs Incurred	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	Purchasing Department	* Various Corporate Overhead Allocation			
2		Capital				
3		Payroll				
4		Office Expenses		36,374		
5						
6		Information Systems				
7		Expense				
8		Automobile	* Various Corporate Overhead Allocation	19		
9		Air Service	Factors and /or Actual Costs Incurred	26		
10		Contract Services		2,364		
11		Employee Reimbursable Expense		5		
12		Meals & Entertainment		39		
13		Office Expenses		62,801		
14		Payroll		9,014		
15		Professional Organ. Dues		7		
16		Training Material		64		
17		Software Maintenance		3,518		
18						
19		Region Operations	Actual Costs Incurred			
20		Expense				
21		Automobile		1,654		
22		Company Work Equipment		138		
23		Materials		10		
24		Office Telephone		677		
25		Payroll		4,132		
26		Utilities		142		

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	Transportation Department	* Various Corporate Overhead Allocation Factors, Time Studies and /or Actual Costs incurred			
2		Capital		18,255		
3		Payroll				
4		Clearing Accounts				
5		Automobile		703		
6		Air Service		180		
7		Contract Services		405		
8		Corporate Aircraft		55		
9		Custodial Services		423		
10		Employee Reimbursable Expense		204		
11		Materials		2,954		
12		Meals & Entertainment		55		
13		Office Expenses		77		
14		Office Telephone		265		
15		Professional Organ. Dues		14		
16		Payroll		6,796		
17		Reference Material		12		
18		Utilities		914		
19						
20		Other Miscellaneous Departments	* Various Corporate Overhead Allocation Factors, Time Studies and /or Actual Costs incurred			
21		Expense				
22		Air Service		18		
23		Automobile		163		
24		Employee Reimbursable Expense		120		
25		Materials		4		
26		Meals & Entertainment		47		
27		Office Expenses		134		
28		Office Telephone		(1,050)		
29		Payroll		5,096		
30		Annual Easements		1,107		
31		Seminars & Meeting Registrations		29		
32		Reference Material		19		
33						

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	Capital				
2		Automobile		17		
3		Air Service		615		
4		Corporate Aircraft		217		
5		Professional Organ. Dues		47		
6		Employee Reimbursable Expense		559		
7		Meals & Entertainment		162		
8		Office Expenses		397		
9		Payroll		1,491		
10		Reference Material		40		
11						
12		Other Direct Charges	Actual Costs Incurred			
13		Utility/Merchandise Discounts		143,223		81,652
14		Corporate Aircraft		106,241		
15		Radio Maintenance		8,161		
16		Vehicle Maintenance		23,805		
17		Catholic Protection		13,144		4,513
18		Purchased Power for Compressor Stations		112,529		95,565
19		Electric Compressor - Electricity Cost		352,122		79,478
20		Office Building Utilities		149,127		73,088
21		Help Desk Services		2,430		
22		Miscellaneous		195,825		
23				38,218		
24						
25		Total Montana-Dakota Utilities Co. 1/		1,788,141	0.7434%	\$417,653
26						
27		1/ Total Montana-Dakota Charges By Category				
28		Expense		1,716,910	0.7138%	
29		Capital		58,174	0.0242%	
30		Clearing		13,057	0.0054%	
31		Total		1,788,141	0.7434%	
32						

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	WBI HOLDINGS, INC.	OTHER TRANSACTIONS/REIMBURSEMENTS	Actual Costs Incurred			
2		Insurance		\$1,120,430		
3		Federal & State Tax Liability Payments		9,615,237		
4		Tax Deferred Savings Plan		26,377		
5		KESOP carrying costs		194,803		
6		Interest		(10,669)		
7		Charges of Corp Development		179,816		
8		Total Other Transactions/Reimbursements		<u>\$11,125,994</u>	4.6256%	
9						
10		Grand Total Affiliate Transactions		<u>\$19,244,396</u>	8.0008%	\$417,653
11						
12						
13						
14		Total WBI Holdings Operating Expenses for 2003			\$240,529,772	

* Corporate overhead allocation factors are derived from net plant investment and number of employees. A cost of service allocation factor for the general office complex is derived by the ratio of MDU Resources and Montana-Dakota Utilities payroll allocated to affiliated companies to the total payroll costs for employees located in the general office complex. Cost of service allocation factors are also derived for office supplies, computer facilities and fixed and mobile radios based on usage of such supplies/facilities by affiliated companies.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	UTILITY SERVICES, INC.	MDU RESOURCES GROUP, INC.	* Various Corporate Overhead Allocation Factors, Time Studies and/or Actual Costs Incurred			
2		Corporate Overhead				
3		Audit Costs			\$5,135	
4		Advertising			6,305	
5		Air Service			17,519	
6		Automobile			708	
7		Bank Services			27,467	
8		Corporate Aircraft			22,625	
9		Consultant Fees			44,759	
10		Contract Services			81,317	
11		Directors Expenses			98,973	
12		Employee Benefits			9,383	
13		Employee Meeting			8,143	
14		Employee Reimbursable Expense			27,100	
15		Express Mail			30	
16		Insurance			160,758	
17		Legal Retainers & Fees			89,719	
18		Moving Allowance			15,508	
19		Meal Allowance			232	
20		Cash Donations			7,691	
21		Meal & Entertainment			13,894	
22		Industry Dues & Licenses			6,308	
23		Office Expenses			10,737	
24		Supplemental Insurance			119,037	
25		Permits & Filing Fees			1,526	
26		Postage			2,232	
27		Payroll			905,995	
28		Reference Materials			7,680	
29		Rent			498	
30		Seminars & Meeting Registrations			5,105	
31		Software Maintenance			7,622	
32		Training Material			4,771	
33		Total MDU Resources Group, Inc.			\$1,708,777	0.4056%

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price Factors, Time Studies and/or Actual Costs Incurred	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	UTILITY SERVICES, INC.	USI President and COO	* Various Corporate Overhead Allocation			
2		Air Services	Factors, Time Studies and/or	22,787		
3		Automobile	Actual Costs Incurred	32		
4		Corporate Aircraft		4,814		
5		Meals and Entertainment		10,898		
6		Office Supplies		2,060		
7		Other Reimbursable Exp		19,758		
8		Payroll		384,627		
9		Professional Organ. Dues		700		
10		Reference Material		110		
12		Other Miscellaneous Departments	* Various Corporate Overhead Allocation			
13		Air Services	Factors, Time Studies and/or	981		
14		Corporate Aircraft	Actual Costs Incurred	1,605		
15		Automobile		22		
16		Consultant Fees		442		
17		Office Supplies		58		
18		Payroll		24,633		
19		Office Expenses		57		
21		Other Direct Charges				
22		Legal Fees	Actual Costs Incurred	40,767		
23		Contract Services		3,120		
24		Air Service		59,763		
25		Meals and Entertainment		4,435		
26		Employee Reimbursable Expense		20,548		
27		Telephone		10,775		
28		Consulting Service		123,574		
29		Computer/Software Support		23,552		
30		Northern Capital		46,971		
31		Filing fees		41,677		
32		Miscellaneous		35,446		
31		Software Implementation Project		167,474		
32		Gas Consumption		2,686		
33		Total Montana-Dakota Utilities Co.		\$1,874,438	0.4449%	2,686 \$191,489

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	UTILITY SERVICES, INC.	OTHER TRANSACTIONS/REIMBURSEMENTS	Actual Costs Incurred			
2		Federal & State Tax Liability Payments		\$3,254,052		
3		Audit fees		130,535		
4		Supplemental Insurance		157,807		
5		Insurance		2,636,484		
6		Miscellaneous		(34,103)		
7		KESOP/Deferred Comp carrying costs		8,220		
8						
9		Total Other Transactions/Reimbursements		\$6,152,995	1.4605%	
10						
11		Grand Total Affiliate Transactions		\$9,736,210	2.3110%	\$191,489
12						
13						
14						
15		Total Utility Services, Inc. Operating Expenses for 2003			\$ 421,292,058	

* Corporate overhead allocation factors are derived from net plant investment and number of employees. A cost of service allocation factor for the general office complex is derived by the ratio of MDU Resources and Montana-Dakota Utilities payroll allocated to affiliated companies to the total payroll costs for employees located in the general office complex. Cost of service allocation factors are also derived for office supplies, computer facilities and fixed and mobile radios based on usage of such supplies/facilities by affiliated companies.

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	CENTENNIAL ENERGY	MDU RESOURCES GROUP, INC.	* Various Corporate Overhead Allocation Factors, Time Studies and/or Actual Costs Incurred			
2	RESOURCES/CHCC	Corporate Overhead				
3		Audit Costs		\$316		
4		Advertising		388		
5		Air Service		5,045		
6		Automobile		139		
7		Bank Services		1,690		
8		Corporate Aircraft		1,838		
9		Consultant Fees		3,530		
10		Contract Services		5,399		
11		Directors Expenses		21,553		
12		Employee Benefits		667		
13		Employee Meeting		502		
14		Employee Reimbursable Expense		5,449		
15		Insurance		9,715		
16		Legal Retainers & Fees		5,522		
17		Cash Donations		558		
18		Meal & Entertainment		2,020		
19		Meal Allowance		185		
20		Moving		2,451		
21		Industry Dues & Licenses		1,724		
22		Office Expenses		1,075		
23		Supplemental Insurance		7,326		
24		Permits & Filing Fees		275		
25		Postage		142		
26		Payroll		322,570		
27		Reference Materials		611		
28		Rental		81		
29		Seminars & Meeting Registrations		1,397		
30		Software Maintenance		470		
31		Training		307		
32		Total MDU Resources Group, Inc.		\$402,945	1.7409%	

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	CENTENNIAL ENERGY RESOURCES/CHCC	MONTANA-DAKOTA UTILITIES CO.				
2		Communications Department	* Various Corporate Overhead Allocation Factors, Cost of Service Factors, Time Studies and /or Actual Costs Incurred	\$3		
3		Employee Reimbursable Expense		2		
4		Materials		5		
5		Office Expenses		1,389		
6		Office Telephone		392		
7		Payroll		1		
8		Seminars & Meeting Registrations				
9						
10		Office Services	* General Office Complex and Office Supplies Cost of Service Allocation	120		
11		Express Mail		44		
12		Office Expenses				
13		Cost of Service - General Office Buildings		50,425		\$11,967
14						
15		Information Systems	* Various Corporate Overhead Allocation Factors and /or Actual Costs Incurred	4		
16		Payroll		33		
17		Office Expenses				
18						
19		Other Miscellaneous Departments	* Various Corporate Overhead Allocation Factors and /or Actual Costs Incurred	6		
20		Office Supplies		(49)		
21		Office Telephone		26		
22		Payroll				
23						
24						
25		Other Direct Charges	Actual costs incurred			
26		Contract Services		58,411		
27		Corporate/Commercial Air Service		223,210		
28		Computer/Software Costs		162,479		
29		Employee Reimbursable Exp and Fuel		506,354		
30		Consulting Fees		546,370		
31		Permits & Filing Fees		1,923		
32		Moving Expense		16,184		
33		Legal Fees		34,966		
34		Payroll		1,799,542		
35		Telephone		7,405		
36		Building Expenses		10,524		
37		Miscellaneous		44,212		
38		Total Montana-Dakota Utilities Co.		\$3,463,981	14.966%	\$11,967
39						

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2003

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	CENTENNIAL ENERGY					
2	RESOURCES/CHCC					
3		OTHER TRANSACTIONS/REIMBURSEMENTS				
4		Federal & State Tax Liability Payments		(\$9,766,777)		
5		Audit fees		148,496		
6		Interest		(172)		
7		Insurance		985,554		
8		Total Other Transactions/Reimbursements		(\$8,632,899)		
9		Grand Total Affiliate Transactions		(\$4,765,973)	-20.591%	\$11,967
10						
11		Total Centennial Energy Resources/CHCC Operating Expenses for 2003				
12					\$23,145,644	

* Corporate overhead allocation factors are derived from net plant investment and number of employees. A cost of service allocation factor for the general office complex is derived by the ratio of MDU Resources and Montana-Dakota Utilities payroll allocated to affiliated companies to the total payroll costs for employees located in the general office complex. Cost of service allocation factors are also derived for office supplies, computer facilities and fixed and mobile radios based on usage of such supplies/facilities by affiliated companies.

MONTANA UTILITY INCOME STATEMENT

Year: 2003

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	\$48,030,215	\$68,459,367	42.53%
2				
3	Operating Expenses			
4	401 Operation Expenses	\$39,257,600	\$59,831,434	52.41%
5	402 Maintenance Expense	748,622	710,432	-5.10%
6	403 Depreciation Expense	2,150,618	2,226,161	3.51%
7	404-405 Amort. & Depl. of Gas Plant	169,769	165,482	-2.53%
8	406 Amort. of Gas Plant Acquisition Adjustments			
9	407.1 Amort. of Property Losses, Unrecovered Plant & Regulatory Study Costs			
10	407.2 Amort. of Conversion Expense			
11	408.1 Taxes Other Than Income Taxes	1,902,647	2,168,518	13.97%
12	409.1 Income Taxes - Federal	(1,569,848)	(555,622)	64.61%
13	- Other	(428,836)	(226,760)	47.12%
14	410.1 Provision for Deferred Income Taxes	2,587,851	1,413,421	-45.38%
15	411.1 (Less) Provision for Def. Inc. Taxes - Cr.	344,692	201,751	-41.47%
16	411.4 Investment Tax Credit Adjustments			
17	411.6 (Less) Gains from Disposition of Utility Plant			
18	411.7 Losses from Disposition of Utility Plant			
19				
20	TOTAL Utility Operating Expenses	\$45,163,115	\$65,934,817	45.99%
21	NET UTILITY OPERATING INCOME	\$2,867,100	\$2,524,550	-11.95%

MONTANA REVENUES

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Gas			
2	480 Residential	\$29,528,787	\$42,354,672	43.44%
3	481 Commercial & Industrial - Small	16,855,419	23,960,332	42.15%
4	Commercial & Industrial - Large	0	512	
5	482 Other Sales to Public Authorities			
6	484 Interdepartmental Sales			
7	485 Intracompany Transfers			
8	Net Unbilled Revenue	415,235	453,385	9.19%
9	TOTAL Sales to Ultimate Consumers	46,799,441	66,768,901	42.67%
10	483 Sales for Resale			
11	TOTAL Sales of Gas	\$46,799,441	\$66,768,901	42.67%
12	Other Operating Revenues			
13	487 Forfeited Discounts & Late Payment Revenues			
14	488 Miscellaneous Service Revenues	\$38,551	\$50,438	30.83%
15	489 Revenues from Transp. of Gas for Others 1/	1,024,563	1,392,083	35.87%
16	490 Sales of Products Extracted from Natural Gas			
17	491 Revenues from Nat. Gas Processed by Others			
18	492 Incidental Gasoline & Oil Sales			
19	493 Rent From Gas Property	127,492	197,853	55.19%
20	494 Interdepartmental Rents			
21	495 Other Gas Revenues	40,168	50,092	24.71%
22	TOTAL Other Operating Revenues	1,230,774	1,690,466	37.35%
23	Total Gas Operating Revenues	\$48,030,215	\$68,459,367	42.53%
24				
25	496 (Less) Provision for Rate Refunds			
26				
27	TOTAL Oper. Revs. Net of Pro. for Refunds	\$48,030,215	\$68,459,367	42.53%

1/ Includes unbilled revenue.

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2003

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses			
2	Production & Gathering - Operation			
3	750 Operation Supervision & Engineering			
4	751 Production Maps & Records			
5	752 Gas Wells Expenses			
6	753 Field Lines Expenses			
7	754 Field Compressor Station Expenses			
8	755 Field Compressor Station Fuel & Power			
9	756 Field Measuring & Regulating Station Expense			
10	757 Purification Expenses			
11	758 Gas Well Royalties			
12	759 Other Expenses			
13	760 Rents			
14	Total Operation - Natural Gas Production			
15	Production & Gathering - Maintenance			
16	761 Maintenance Supervision & Engineering			
17	762 Maintenance of Structures & Improvements			
18	763 Maintenance of Producing Gas Wells			
19	764 Maintenance of Field Lines			
20	765 Maintenance of Field Compressor Sta. Equip.			
21	766 Maintenance of Field Meas. & Reg. Sta. Equip.			
22	767 Maintenance of Purification Equipment			
23	768 Maintenance of Drilling & Cleaning Equip.			
24	769 Maintenance of Other Equipment			
25	Total Maintenance- Natural Gas Prod.			
26	TOTAL Natural Gas Production & Gathering			
27	Products Extraction - Operation			
28	770 Operation Supervision & Engineering			
29	771 Operation Labor			
30	772 Gas Shrinkage			
31	773 Fuel			
32	774 Power			
33	775 Materials			
34	776 Operation Supplies & Expenses			
35	777 Gas Processed by Others			
36	778 Royalties on Products Extracted			
37	779 Marketing Expenses			
38	780 Products Purchased for Resale			
39	781 Variation in Products Inventory			
40	782 (Less) Extracted Products Used by Utility - Cr.			
41	783 Rents			
42	Total Operation - Products Extraction			
43	Products Extraction - Maintenance			
44	784 Maintenance Supervision & Engineering			
45	785 Maintenance of Structures & Improvements			
46	786 Maintenance of Extraction & Refining Equip.			
47	787 Maintenance of Pipe Lines			
48	788 Maintenance of Extracted Prod. Storage Equip.			
49	789 Maintenance of Compressor Equipment			
50	790 Maintenance of Gas Meas. & Reg. Equip.			
51	791 Maintenance of Other Equipment			
52	Total Maintenance - Products Extraction			
53	TOTAL Products Extraction			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2003

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses - continued			
2				
3	Exploration & Development - Operation			
4	795 Delay Rentals			
5	796 Nonproductive Well Drilling			
6	797 Abandoned Leases			
7	798 Other Exploration			
8	TOTAL Exploration & Development			
9				
10	Other Gas Supply Expenses - Operation			
11	800 Natural Gas Wellhead Purchases			
12	800.1 Nat. Gas Wellhead Purch., Intracomp. Trans.			
13	801 Natural Gas Field Line Purchases			
14	802 Natural Gas Gasoline Plant Outlet Purchases			
15	803 Natural Gas Transmission Line Purchases			
16	804 Natural Gas City Gate Purchases	\$34,269,291	\$54,304,850	58.47%
17	805 Other Gas Purchases			
18	805.1 Purchased Gas Cost Adjustments	(7,086,673)	(4,022,314)	43.24%
19	805.2 Incremental Gas Cost Adjustments			
20	806 Exchange Gas			
21	807.1 Well Expenses - Purchased Gas			
22	807.2 Operation of Purch. Gas Measuring Stations			
23	807.3 Maintenance of Purch. Gas Measuring Stations			
24	807.4 Purchased Gas Calculations Expenses			
25	807.5 Other Purchased Gas Expenses			
26	808.1 Gas Withdrawn from Storage -Dr.	7,953,021	10,773,196	35.46%
27	808.2 (Less) Gas Delivered to Storage -Cr.	(4,356,543)	(11,212,989)	-157.38%
28	809.2 (Less) Deliveries of Nat. Gas for Processing-Cr.			
29	810 (Less) Gas Used for Compressor Sta. Fuel-Cr.			
30	811 (Less) Gas Used for Products Extraction-Cr.			
31	812 (Less) Gas Used for Other Utility Operations-Cr.			
32	813 Other Gas Supply Expenses	116,158	134,878	16.12%
33	TOTAL Other Gas Supply Expenses	\$30,895,254	\$49,977,621	61.76%
34				
35	TOTAL PRODUCTION EXPENSES	\$30,895,254	\$49,977,621	61.76%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2003

Account Number & Title		Last Year	This Year	% Change
1	Storage, Terminaling & Processing Expenses			
2				
3	Underground Storage Expenses - Operation			
4	814 Operation Supervision & Engineering			
5	815 Maps & Records			
6	816 Wells Expenses			
7	817 Lines Expenses			
8	818 Compressor Station Expenses			
9	819 Compressor Station Fuel & Power			
10	820 Measuring & Reg. Station Expenses		NOT APPLICABLE	
11	821 Purification Expenses			
12	822 Exploration & Development			
13	823 Gas Losses			
14	824 Other Expenses			
15	825 Storage Well Royalties			
16	826 Rents			
17	Total Operation - Underground Strg. Exp.			
18				
19	Underground Storage Expenses - Maintenance			
20	830 Maintenance Supervision & Engineering			
21	831 Maintenance of Structures & Improvements			
22	832 Maintenance of Reservoirs & Wells			
23	833 Maintenance of Lines			
24	834 Maintenance of Compressor Station Equip.			
25	835 Maintenance of Meas. & Reg. Sta. Equip.		NOT APPLICABLE	
26	836 Maintenance of Purification Equipment			
27	837 Maintenance of Other Equipment			
28	Total Maintenance - Underground Storage			
29	TOTAL Underground Storage Expenses			
30				
31	Other Storage Expenses - Operation			
32	840 Operation Supervision & Engineering			
33	841 Operation Labor and Expenses			
34	842 Rents			
35	842.1 Fuel			
36	842.2 Power			
37	842.3 Gas Losses		NOT APPLICABLE	
38	Total Operation - Other Storage Expenses			
39				
40	Other Storage Expenses - Maintenance			
41	843.1 Maintenance Supervision & Engineering			
42	843.2 Maintenance of Structures & Improvements			
43	843.3 Maintenance of Gas Holders			
44	843.4 Maintenance of Purification Equipment			
45	843.6 Maintenance of Vaporizing Equipment			
46	843.7 Maintenance of Compressor Equipment			
47	843.8 Maintenance of Measuring & Reg. Equipment			
48	843.9 Maintenance of Other Equipment		NOT APPLICABLE	
49	Total Maintenance - Other Storage Exp.			
50	TOTAL - Other Storage Expenses			
51				
52	TOTAL - STORAGE, TERMINALING & PROC.			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2003

Account Number & Title		Last Year	This Year	% Change
1	Transmission Expenses			
2	Operation			
3	850 Operation Supervision & Engineering			
4	851 System Control & Load Dispatching			
5	852 Communications System Expenses			
6	853 Compressor Station Labor & Expenses			
7	854 Gas for Compressor Station Fuel			
8	855 Other Fuel & Power for Compressor Stations		NOT APPLICABLE	
9	856 Mains Expenses			
10	857 Measuring & Regulating Station Expenses			
11	858 Transmission & Compression of Gas by Others			
12	859 Other Expenses			
13	860 Rents			
14	Total Operation - Transmission			
15	Maintenance			
16	861 Maintenance Supervision & Engineering			
17	862 Maintenance of Structures & Improvements			
18	863 Maintenance of Mains			
19	864 Maintenance of Compressor Station Equip.			
20	865 Maintenance of Measuring & Reg. Sta. Equip.		NOT APPLICABLE	
21	866 Maintenance of Communication Equipment			
22	867 Maintenance of Other Equipment			
23	Total Maintenance - Transmission			
24	TOTAL Transmission Expenses			
25	Distribution Expenses			
26	Operation			
27	870 Operation Supervision & Engineering	\$310,037	\$367,051	18.39%
28	871 Distribution Load Dispatching	49,689	52,070	4.79%
29	872 Compressor Station Labor and Expenses			
30	873 Compressor Station Fuel and Power			
31	874 Mains and Services Expenses	670,107	709,924	5.94%
32	875 Measuring & Reg. Station Exp.-General	14,318	18,784	31.19%
33	876 Measuring & Reg. Station Exp.-Industrial	4,627	6,295	36.05%
34	877 Meas. & Reg. Station Exp.-City Gate Ck. Sta.		4	100.00%
35	878 Meter & House Regulator Expenses	402,364	469,013	16.56%
36	879 Customer Installations Expenses	762,373	763,290	0.12%
37	880 Other Expenses	894,165	1,002,466	12.11%
38	881 Rents	18,007	19,295	7.15%
39	Total Operation - Distribution	\$3,125,687	\$3,408,192	9.04%
40	Maintenance			
41	885 Maintenance Supervision & Engineering	\$128,763	\$169,457	31.60%
42	886 Maintenance of Structures & Improvements	1,077	117	-89.14%
43	887 Maintenance of Mains	85,295	62,073	-27.23%
44	888 Maint. of Compressor Station Equipment			
45	889 Maint. of Meas. & Reg. Station Exp.-General	6,614	13,410	102.75%
46	890 Maint. of Meas. & Reg. Sta. Exp.-Industrial	3,247	9,546	193.99%
47	891 Maint. of Meas. & Reg. Sta. Equip.-City Gate			
48	892 Maintenance of Services	96,785	43,398	-55.16%
49	893 Maintenance of Meters & House Regulators	56,290	55,511	-1.38%
50	894 Maintenance of Other Equipment	168,046	199,463	18.70%
51	Total Maintenance - Distribution	\$546,117	\$552,975	1.26%
52	TOTAL Distribution Expenses	\$3,671,804	\$3,961,167	7.88%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2003

Account Number & Title		Last Year	This Year	% Change
1				
2	Customer Accounts Expenses			
3	Operation			
4	901 Supervision	\$134,984	\$170,318	26.18%
5	902 Meter Reading Expenses	455,640	509,095	11.73%
6	903 Customer Records & Collection Expenses	1,158,643	1,191,971	2.88%
7	904 Uncollectible Accounts Expenses	43,209	231,718	436.27%
8	905 Miscellaneous Customer Accounts Expenses	105,594	166,119	57.32%
9				
10	TOTAL Customer Accounts Expenses	\$1,898,070	\$2,269,221	19.55%
11				
12	Customer Service & Informational Expenses			
13	Operation			
14	907 Supervision	\$4,302	\$3,782	-12.09%
15	908 Customer Assistance Expenses	23,577	21,407	-9.20%
16	909 Informational & Instructional Advertising Exp.	21,397	16,159	-24.48%
17	910 Miscellaneous Customer Service & Info. Exp.	252	185	-26.59%
18				
19	TOTAL Customer Service & Info. Expenses	\$49,528	\$41,533	-16.14%
20				
21	Sales Expenses			
22	Operation			
23	911 Supervision	\$94,223	\$90,477	-3.98%
24	912 Demonstrating & Selling Expenses	209,214	199,693	-4.55%
25	913 Advertising Expenses	16,717	19,297	15.43%
26	916 Miscellaneous Sales Expenses	16,371	17,612	7.58%
27				
28	TOTAL Sales Expenses	\$336,525	\$327,079	-2.81%
29				
30	Administrative & General Expenses			
31	Operation			
32	920 Administrative & General Salaries	\$953,917	\$1,125,594	18.00%
33	921 Office Supplies & Expenses	537,763	629,862	17.13%
34	922 (Less) Administrative Expenses Transferred - Cr.			
35	923 Outside Services Employed	161,130	175,709	9.05%
36	924 Property Insurance	65,207	118,978	82.46%
37	925 Injuries & Damages	246,189	369,481	50.08%
38	926 Employee Pensions & Benefits	851,084	1,160,161	36.32%
39	927 Franchise Requirements			
40	928 Regulatory Commission Expenses	420	76,909	18211.67%
41	929 (Less) Duplicate Charges - Cr.			
42	930.1 General Advertising Expenses	19,374	29,088	50.14%
43	930.2 Miscellaneous General Expenses	68,793	73,737	7.19%
44	931 Rents	48,659	48,269	-0.80%
45				
46	TOTAL Operation - Admin. & General	\$2,952,536	\$3,807,788	28.97%
47	Maintenance			
48	935 Maintenance of General Plant	\$202,505	\$157,457	-22.25%
49				
50	TOTAL Administrative & General Expenses	\$3,155,041	\$3,965,245	25.68%
51	TOTAL OPERATION & MAINTENANCE EXP.	\$40,006,222	\$60,541,866	51.33%

MONTANA TAXES OTHER THAN INCOME

Year: 2003

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes	\$415,905	\$439,770	5.74%
2	Secretary of State	265	196	-26.04%
3	Highway Use Tax	115	167	45.22%
4	Montana Consumer Counsel	37,867	66,214	74.86%
5	Montana PSC	108,867	163,884	50.54%
6	Franchise Taxes	16,260	18,128	11.49%
7	Property Taxes	1,318,975	1,475,359	11.86%
8	Tribal Taxes	4,393	4,800	9.26%
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49				
50	TOTAL MT Taxes other than Income	\$1,902,647	\$2,168,518	13.97%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2003

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	ADP Proxy Service	Investor Commication Services	107,278	2,869	2.67%
2					
3	API Construction Company	Construction Services	100,524		0.00%
4					
5	Benco Equipment Company	Vehicle Maintenance	176,081	330	0.19%
6					
7	Bullinger Tree Service	Tree Trimming Service	149,264		0.00%
8					
9	Ceda Inc.	Boiler Maintenance	130,346		0.00%
10					
11	Chief Construction	Construction Services	425,789	216	0.05%
12					
13	Christensen & Associates	Consultant - Investor Relations	120,574	3,224	2.67%
14					
15	Deloitte & Touche, LLP	Auditing and Consulting Services	580,088	1,072	0.18%
16					
17	Diversified Graphic, Inc	Annual Report	209,977	5,615	2.67%
18					
19	Edling Electric, Inc	Construction Services-Electrical	213,931		0.00%
20					
21	Ernst & Young, LLP	Consulting Services	188,635	7,411	3.93%
22					
23	Fischer Contracting	Contract Services	157,640	199	0.13%
24					
25	GE Energy Services	Construction Services	354,903		0.00%
26					
27	GE Packaged Power, Inc.	Construction - Turbine	1,425,000		0.00%
28					
29	H. Zinder & Associates	Consulting Services	901,610		0.00%
30					
31	Hamilton Spray	Contract Services - Pole Spraying	152,855		0.00%
32					
33	Hughes, Kellner, Sullivan	Legal Services	95,069	26,774	28.16%
34					
35	IBM	Contract Services - Computer Maintenance	117,482	14,189	12.08%
36					
37	Industrial Contractors, Inc	Construction Services	1,006,201		0.00%
38					
39	Interstate Engineering	Engineering Services	116,052		0.00%
40					
41	Intremountain Tree Expert Co.	Tree Trimming Service	120,614		0.00%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2003

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	James W. Sewall Company	Consulting Services	438,307	54,864	12.52%
2					
3	Jim's Water Services	Contract Services	239,836		0.00%
4					
5	Kappel Tree Service	Tree Trimming Service	102,142		0.00%
6					
7	Larson Design Office, Inc.	Contract Services - Office Design	87,529	2,341	2.67%
8					
9	Leboeuf, Lamb, Grrene & Macrae	Legal Services	273,805	7,322	2.67%
10					
11	McDermott, Will & Emery	Legal Services	87,890	4,475	5.09%
12					
13	MCM General Contractors, Inc	Construction Services	78,443		0.00%
14					
15	Miner & Miner	Consulting Services	99,016	12,534	12.66%
16					
17	Moody's Investors Services	Financial Services	119,800	7,754	6.47%
18					
19	New York Life	K-Plan Administrator	204,093	19	0.01%
20					
21	New York Stock Exchange	Financial Services	132,515	3,544	2.67%
22					
23	Northern Capital	Top Plan Administrator	828,771		0.00%
24					
25	Norwest Mine Services, Inc	Consulting Services	75,249		0.00%
26					
27	One Call Locators, LTD	Line Location Service	789,598	184,867	23.41%
28					
29	Osmoste, Inc.	Contract Services - Pole Treatment	137,916		0.00%
30					
31	Outdoor Services Inc.	Contract Services - Meter Reading	218,935	15,298	6.99%
32					
33	Pipeline Services of Iowa Inc.	Contract Services - Gas Pipelines	493,587		0.00%
34					
35	Progressive Maintenance Co.	Custodial Services	82,143	8,653	10.53%
36					
37	Realfoundations Inc.	Contract Services - Computer System	157,336		0.00%
38					
39	Ritterbush Ellig Hulsing, PC	Consulting Services	129,739	64	0.05%
40					
41	Rocky Mountain Line	Construction Services	653,091	526,173	80.57%
42					
43	Rolta International, Inc	Contract Services	413,736	52,374	12.66%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES - GAS

Year: 2003

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Sargent & Lundy, LLC	Consulting Services	97,388		0.00%
2					
3	Southern Cross Corporation	Contract Services - Leak Detection	209,663	46,808	22.33%
4					
5	SSR Engineers	Engineering Services	80,521		0.00%
6					
7	Standard & Poor's	Financial Services	105,340	6,192	5.88%
8					
9	State-Line Contractors, Inc	Construction Services	392,669	379,987	96.77%
10					
11	The Industrial Company Wyoming	Contract Services - Turbines	174,762		0.00%
12					
13	Thelen Reid & Priest, LLP	Legal Services	1,858,715	42,726	2.30%
14					
15	The Structure Group	Contract Serv. - Software Install & Maint.	193,831		0.00%
16					
17	Total Asphalt Repair, Inc.	Contract Services - Asphalt	85,113	85,113	100.00%
18					
19	Towers Perrin	Consultant - Compensation and Benefits	671,322	36,753	5.47%
20					
21	Trinity Technologies	Contract Services - Software Maintenance	161,591	1,802	1.12%
22					
23	Trusecure Corporation	Information System Security	159,315	4,260	2.67%
24					
25	UBS Investment Bank	Consulting Services	480,881		0.00%
26					
27	Ulmer Tree Services	Tree Trimming Service	88,177		0.00%
28					
29	Ulteig Engineers	Engineering Services	103,259		0.00%
30					
31	Underground Locators, LLC	Line Location Service	107,223		0.00%
32					
33	US Bank	Bank Services	194,419	36,271	18.66%
34					
35	Utility Partners, LC	Consultant - Mobile Service Computer	206,773	13,205	6.39%
36					
37	Weber, Fick & Wilson Division	Consulting Services	109,689	16,698	15.22%
38					
39	Wells Fargo	Stock Transfer Agent and ESOP Admin	401,672	10,641	2.65%
	TOTAL Payments for Services		18,575,713	1,622,637	8.74%

POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS

Year: 2003

	Description	Total Company	Montana	% Montana
1	Contributions to Candidates by PAC	\$4,300	\$100	2.33%
2				
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43	TOTAL Contributions	\$4,300	\$100	2.33%

Pension Costs

Year: 2003

1	Plan Name MDU Resources Group, Inc. Master Pension Plan Trust			
2	Defined Benefit Plan? Yes		Defined Contribution Plan? No	
3		PROPRIETARY SCHEDULE		
4		PROPRIETARY SCHEDULE		
5		PROPRIETARY SCHEDULE		
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments	PROPRIETARY SCHEDULE		
12	Actuarial (Gain) Loss			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition	PROPRIETARY SCHEDULE		
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	Funded Status			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost	PROPRIETARY SCHEDULE		
27	Unrecognized net transition obligation			
28	Accrued benefit cost			
29				
30	Weighted-average Assumptions as of Year End			
31	Discount rate	6.00	6.75	-11.11%
32	Expected return on plan assets	8.50	8.50	0.00%
33	Rate of compensation increase	4.75	4.50	5.56%
34				
35	Components of Net Periodic Benefit Costs			
36	Service cost			
37	Interest cost			
38	Expected return on plan assets	PROPRIETARY SCHEDULE		
39	Amortization of prior service cost			
40	Recognized net actuarial gain			
41	Transition amount amortization			
42	Net periodic benefit cost			
43				
44	Montana Intrastate Costs:			
45	Pension Costs	PROPRIETARY SCHEDULE		
46	Pension Costs Capitalized			
47	Accumulated Pension Asset (Liability) at Year End			
48	Number of Company Employees:			
49	Covered by the Plan			
50	Not Covered by the Plan	PROPRIETARY SCHEDULE		
51	Active			
52	Retired			
53	Deferred Vested Terminated			

Other Post Employment Benefits (OPEBS)

Item		Current Year	Last Year	% Change
1	Regulatory Treatment:			
2	Commission authorized - most recent			
3	Docket number:			
4	Order numbers:			
5	Amount recovered through rates -			
6	Weighted-average Assumptions as of Year End			
7	Discount rate	6.00	6.75	-11.11%
8	Expected return on plan assets	7.50	7.50	0.00%
9	Medical Cost Inflation Rate	PROPRIETARY SCHEDULE	PROPRIETARY SCHEDULE	
10	Actuarial Cost Method	PROPRIETARY SCHEDULE	PROPRIETARY SCHEDULE	
11	Rate of compensation increase	N/A	N/A	
12	List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:			
13	VEBA			
14	Describe any Changes to the Benefit Plan:			
15				
16				
TOTAL COMPANY				
17	Change in Benefit Obligation			
18	Benefit obligation at beginning of year			
19	Service cost			
20	Interest Cost			
21	Plan participants' contributions			
22	Amendments	PROPRIETARY SCHEDULE		
23	Actuarial (Gain) Loss			
24	Acquisition			
25	Benefits paid			
26	Benefit obligation at end of year			
27	Change in Plan Assets			
28	Fair value of plan assets at beginning of year			
29	Actual return on plan assets			
30	Acquisition	PROPRIETARY SCHEDULE		
31	Employer contribution			
32	Plan participants' contributions			
33	Benefits paid			
34	Fair value of plan assets at end of year			
35	Funded Status			
36	Unrecognized net actuarial loss			
37	Unrecognized prior service cost	PROPRIETARY SCHEDULE		
38	Unrecognized transition obligation			
39	Accrued benefit cost			
40	Components of Net Periodic Benefit Costs			
41	Service cost			
42	Interest cost			
43	Expected return on plan assets			
44	Amortization of prior service cost	PROPRIETARY SCHEDULE		
45	Recognized net actuarial gain			
46	Transition amount amortization			
47	Net periodic benefit cost			
48	Accumulated Post Retirement Benefit Obligation			
49	Amount Funded through VEBA			
50	Amount Funded through 401(h)	PROPRIETARY SCHEDULE		
51	Amount Funded through Other _____			
52	TOTAL			
53	Amount that was tax deductible - VEBA			
54	Amount that was tax deductible - 401(h)			
55	Amount that was tax deductible - Other _____			
56	TOTAL			

Other Post Employment Benefits (OPEBS) Continued

	Item	Current Year	Last Year	% Change
1	Number of Company Employees:			
2	Covered by the Plan			
3	Not Covered by the Plan			
4	Active	PROPRIETARY SCHEDULE		
5	Retired			
6	Spouses/Dependants covered by the Plan			
7	Montana			
8	Change in Benefit Obligation			
9	Benefit obligation at beginning of year			
10	Service cost	NOT APPLICABLE		
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	Change in Plan Assets			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	Funded Status			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	Components of Net Periodic Benefit Costs			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	Accumulated Post Retirement Benefit Obligation			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	Number of Montana Employees:			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

PROPRIETARY SCHEDULE

COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

Line No.	Name/Title	Base Salary	Bonuses	Other 1/	Total Compensation	Total Compensation Last Year 3/	% Increase Total Compensation
1	Martin A. White - Chairman of the Board, President & C.E.O.	\$596,308	\$1,200,000	\$778,732	\$2,575,040	\$1,031,878	150%
2	Ronald D. Tipton - C.E.O. of Montana-Dakota Utilities Co. and Great Plains Natural Gas Co.	319,751	211,464	98,708	629,923	424,273	48%
3	Warren L. Robinson - Executive Vice President, Treasurer & Chief Financial Officer	318,154	320,000	273,880	912,034	466,605	95%
4	Lester H. Loble, II - Vice President, General Counsel & Secretary 2/	268,662	270,000	240,395	779,057	397,503	96%
5	Vernon A. Raile - Senior Vice President, Controller & Chief Accounting Officer	198,615	180,000	95,251	473,866	264,011	79%

1/ See page 20a for details.

2/ Mr. Loble retired on January 2, 2004.

3/ See page 20a Note 10.

EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

(a) Name and principal position	Annual compensation				Long-term compensation			(i) All other compensation(8) (\$)
	(b) Year	(c) Salary (\$)	(d) Bonus(2) (\$)	(e) Other annual compensation(3) (\$)	Awards		Payouts	
					(f) Restricted stock awards (\$)	(g) Securities underlying Options/ SARs(1) (#)	(h) LTIP payouts (\$)	
Martin A. White —Chairman of the Board, President & CEO	2003	596,308	1,200,000		—(4)	—	772,732(7)	6,000
	2002	517,038	509,340		—	—	—	5,500(10)
	2001	450,000	374,500		594,800(5)	270,000(6)	—	5,100
Ronald D. Tipton —CEO of Montana-Dakota Utilities Co. and Great Plains Natural Gas Co.	2003	319,751	211,464		—(4)	—	92,708(7)	6,000
	2002	306,815	111,958		—	—	—	5,500(10)
	2001	279,038	35,437		148,700(5)	108,000(6)	—	5,100
Warren L. Robinson —Executive Vice President and Chief Financial Officer	2003	318,154	320,000		—(4)	—	267,880(7)	6,000
	2002	278,265	182,840		—	—	—	5,500(10)
	2001	237,077	146,290		148,700(5)	93,600(6)	—	5,100
Lester H. Loble, II —Executive Vice President, General Counsel & Secretary(9)	2003	268,662	270,000	—	—(4)	—	234,395(7)	6,000
	2002	236,688	153,455	1,860	—	—	—	5,500(10)
	2001	190,846	105,219	13,291	118,960(5)	81,900(6)	—	5,100
Vernon A. Raile —Senior Vice President and Chief Accounting Officer	2003	198,615	180,000	—	—(4)	—	89,293(7)	5,958
	2002	169,037	88,808	1,095	—	—	—	5,071
	2001	146,394	58,122	10,194	44,610(5)	31,200(6)	—	3,250

(1) Adjusted for the three-for-two stock split on October 29, 2003.

(2) Granted pursuant to the Executive Incentive Compensation Plan.

(3) Above-market interest on deferred compensation.

(4) At December 31, 2003, the Named Officers held the following amounts of restricted stock: Mr. White—44,400 shares (\$1,057,164); Mr. Tipton—14,700 shares (\$350,007); Mr. Robinson—13,260 shares (\$315,721); Mr. Loble—10,320 shares (\$245,719) and Mr. Raile—5,850 shares (\$139,289).

(5) Valued at fair market value on the date of grant. Nonpreferential dividends are paid on the restricted stock.

(6) Options granted pursuant to the 1992 KESOP or the 1997 Executive Long-Term Incentive Plan for the 2001-2003 performance cycle.

(7) Dividend equivalents paid with respect to options granted pursuant to the 1992 KESOP or the 1997 Executive Long-Term Incentive Plan for the 2001-2003 performance cycle.

(8) Totals shown are the Company contributions to the Company 401(k) Retirement Plan.

(9) Mr. Loble retired on January 2, 2004.

(10) Adjusted by \$500 from amount reported last year.

**AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END OPTION/SAR VALUES**

(a) Name	(b) Shares acquired on exercise (#)(2)	(c) Value realized (\$)	(d) Number of securities underlying unexercised options at fiscal year-end(1)(2) (#)		(e) Value of unexercised, in-the- money options at fiscal year-end (\$)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Martin A. White	91,140	709,373	0	270,000	0	1,125,441
Ronald D. Tipton	73,687	606,939	0	108,000	0	450,176
Warren L. Robinson	56,925	443,066	0	93,600	0	390,153
Lester H. Loble, II	9,150	131,770	41,850	81,900	414,805	341,384
Vernon A. Raile	23,445	203,190	0	31,200	0	130,051

(1) Vesting is accelerated upon a change in control.

(2) Adjusted for the three-for-two stock split on October 29, 2003.

LONG-TERM INCENTIVE PLANS—AWARDS IN LAST FISCAL YEAR

(a) Name			Estimated future payouts under non-stock price-based plans		
	(b) Number of shares, units or other rights (#)(1)(2)	(c) Performance or other period until maturation or payout	(d) Threshold (\$ or #)	(e) Target (\$ or #)	(f) Maximum (\$ or #)
Martin A. White	11,389	2002-2004	1,139 shares \$1,333 Dividend Equivalents	11,389 shares \$13,325 Dividend Equivalents	22,778 shares \$26,650 Dividend Equivalents
	11,389	2003-2005	1,139 shares \$2,107 Dividend Equivalents	11,389 shares \$21,070 Dividend Equivalents	22,778 shares \$42,139 Dividend Equivalents
Ronald D. Tipton	3,876	2002-2004	388 shares \$454 Dividend Equivalents	3,876 shares \$4,535 Dividend Equivalents	7,752 shares \$9,070 Dividend Equivalents
	3,876	2003-2005	388 shares \$718 Dividend Equivalents	3,876 shares \$7,171 Dividend Equivalents	7,752 shares \$14,341 Dividend Equivalents
Warren L. Robinson	3,873	2002-2004	387 shares \$453 Dividend Equivalents	3,873 shares \$4,531 Dividend Equivalents	7,746 shares \$9,063 Dividend Equivalents
	3,873	2003-2005	387 shares \$716 Dividend Equivalents	3,873 shares \$7,165 Dividend Equivalents	7,746 shares \$14,330 Dividend Equivalents
Lester H. Loble, II	2,883	2002-2004	288 shares \$337 Dividend Equivalents	2,883 shares \$3,373 Dividend Equivalents	5,766 shares \$6,746 Dividend Equivalents
	2,883	2003-2005	288 shares \$533 Dividend Equivalents	2,883 shares \$5,334 Dividend Equivalents	5,766 shares \$10,667 Dividend Equivalents
Vernon A. Raile	1,423	2002-2004	142 shares \$166 Dividend Equivalents	1,423 shares \$1,665 Dividend Equivalents	2,846 shares \$3,330 Dividend Equivalents
	1,423	2003-2005	142 shares \$263 Dividend Equivalents	1,423 shares \$2,633 Dividend Equivalents	2,846 shares \$5,265 Dividend Equivalents

(1) Adjusted for the three-for-two stock split on October 29, 2003.

- (2) Performance shares were granted in 2003 under the 1997 Executive Long-Term Incentive Plan and represent the opportunity to receive Company Common Stock at the end of the performance period based upon the Company's total shareholder return relative to a peer group of companies. The performance shares shown in column (b) are at the target level. The payout ranges from 0% for a rank less than 40th percentile, to 10% at the 40th percentile, 100% at the 50th percentile and 200% at the 100th percentile. Dividend equivalents also were granted and will be paid out in cash in an amount equal to the total dividends declared during the performance period on any shares that are actually earned by the participant. Performance shares and dividend equivalents that are not earned are forfeited. Vesting is accelerated upon a change in control.

PENSION PLAN TABLE

Remuneration	Years of Service				
	15	20	25	30	35
\$125,000	\$ 79,211	\$ 87,735	\$ 96,259	\$104,783	\$113,307
150,000	95,329	105,665	116,002	126,338	136,674
175,000	111,446	123,595	135,744	147,893	160,042
200,000	129,484	143,445	157,407	171,368	185,329
225,000	140,464	154,425	168,387	182,348	196,309
250,000	151,384	165,345	179,307	193,268	207,229
300,000	187,624	201,585	215,547	229,508	243,469
350,000	235,204	249,165	263,127	277,088	291,049
400,000	276,184	290,145	304,107	318,068	332,029
450,000	316,084	330,045	344,007	357,968	371,929
500,000	387,484	401,445	415,407	429,368	443,329
550,000	387,484	401,445	415,407	429,368	443,329
600,000	479,884	493,845	507,807	521,768	535,729

The Table covers the amounts payable under the Salaried Pension Plan and non-qualified Supplemental Income Security Plan (SISP).

Pension benefits are determined by the step-rate formula that places emphasis on the highest consecutive 60 months of earnings within the final 10 years of service.

Benefits for single participants under the Salaried Pension Plan are paid as straight life amounts and benefits for married participants are paid as actuarially reduced pensions with a survivorship benefit for spouses, unless participants choose otherwise.

The Salaried Pension Plan also permits pre-retirement survivorship benefits upon satisfaction of certain conditions. Additionally, certain

reductions are made for employees electing early retirement.

The Internal Revenue Code places maximum limitations on benefit amounts that may be paid under the Salaried Pension Plan.

The Company has adopted a non-qualified SISP for senior management personnel. As of December 31, 2003, 99 senior management personnel were participating in the SISP, including the Named Officers.

Both plans cover salary shown in column (c) of the Summary Compensation Table and exclude bonuses and other forms of compensation.

Upon retirement and reaching age 65, participants in the SISP may elect a retirement benefit or a survivors' benefit with the benefits payable monthly for 15 years or as an equivalent life annuity.

As of December 31, 2003, the Named Officers were credited with the following years of service under the plans:

Name	Pension Service Years	SISP Service Years
Martin A. White	12	12
Ronald D. Tipton	20	20
Warren L. Robinson	15	15
Lester H. Loble, II	16	16
Vernon A. Raile	23	22

The maximum years of service for benefits under the Pension Plan is 35. Vesting under the SISP begins at 3 years and is complete after

10 years. Benefit amounts under both plans are not subject to reduction for offset amounts.

CHANGE-OF-CONTROL AND SEVERANCE ARRANGEMENTS

The Company entered into Change of Control Employment Agreements with the Named Officers and other executives ("executives") in November 1998, which provide certain protections to the executives in the event there is a change of control of the Company.

If a change of control occurs, the agreements provide for a three-year employment period from the date of the change of control, during which the executive is entitled to receive a base salary not less than the highest amount paid within the preceding twelve months, and annual bonuses not less than the highest bonus paid within the three years before the change of control, and to participate in the Company's incentive, savings, retirement and welfare benefit plans.

The agreements also provide that specified severance payments and benefits would be provided if the executive's employment is terminated during the employment period (or if connected to the change of control, prior thereto) by the Company, other than for cause or disability, or by the executive for good reason, which includes for any reason during the 30-day period beginning on the first anniversary of the change of control.

In such event, the executive would receive an amount equal to three times his annual base pay plus three times his highest annual bonus (as defined). In addition, he would receive (i) an immediate pro-rated cash-out of his bonus for the year of termination based on the highest annual bonus and (ii) an amount equal to the excess of (a) the actuarial equivalent of the benefit under Company qualified and nonqualified retirement plans that he would receive if he continued employment with the Company for an additional three years over (b) the actual benefit paid or payable under these plans.

The executive and family would continue to be covered by the Company's welfare benefit plans for three years. The executive also would receive outplacement benefits. Finally, the executive would receive an additional payment if necessary to make him or her whole for any federal excise tax on excess parachute payments imposed upon the executive, unless the total parachute payments were not more than 110% of the safe harbor amount for that tax (in which event the executive's payments would be reduced to the safe harbor amount).

For these purposes, "cause" generally means the executive's willful and continued failure to substantially perform his duties or willfully engaging in illegal conduct or misconduct materially injurious to the Company. "Good reason" generally includes the diminution of the executive's position, authority, duties or responsibilities, the reduction of the executive's pay or benefits, and relocation or increased travel obligations.

Subject to certain exceptions described in the agreements, a "change of control" is defined in general as (i) the acquisition by an individual, entity, or group of 20% or more of the Company's voting securities; (ii) a turnover in a majority of the Board of Directors without the approval of a majority of the members of the Board who were

members of the Board as of November 1998 or whose election was approved by such Board members; (iii) a merger or similar transaction; or (iv) the stockholders' approval of the Company's liquidation or dissolution.

The Company entered into an agreement with Lester H. Loble, II in connection with Mr. Loble's retirement on January 2, 2004. Mr. Loble agreed to provide consulting services to the Company for six months after his retirement for which he was paid \$142,500. Mr. Loble also was entitled to keep certain office equipment. Other benefits to which Mr. Loble is entitled are determined in accordance with the terms and provisions of the Company's plans and programs.

COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

Purpose

The Compensation Committee of the Board of Directors has direct responsibility for determining compensation of the Company's executive officers and for producing an annual report on executive compensation for inclusion in the Company's proxy statement. Composed entirely of non-employee Directors, the Committee meets quarterly to review and determine compensation for the executive officers, including the Chief Executive Officer.

Executive Compensation

Based upon a study of the Company's executive compensation programs in 2002, the Committee made several changes to its approach to long-term incentive compensation, including the elimination of stock options and restricted stock grants effective in 2003.

The Committee believes that appropriate compensation levels succeed in both attracting and motivating high quality employees. To implement this philosophy, the Committee analyzes trends in compensation among comparable companies participating in the oil and gas industry, segments of the energy and mining industries, the

peer group of companies used in the graph following this report, and similar companies from general industry. The Committee then sets compensation levels that it believes are competitive within the industry and structured in a manner that rewards successful job performance. There are three components of total executive compensation: base salary, annual incentive compensation, and long-term incentive compensation.

In setting base salaries, the Committee does not use a particular formula. In addition to the above data, other factors the Committee uses in its analysis include the executive's current salary in comparison to the competitive industry standard as well as individual performance. Mr. White, the Chairman, President and Chief Executive Officer, received a 15.4% increase in base salary for 2003. During 2003, only approximately 21.2% of Mr. White's compensation was base pay. The remainder was performance-based. This reflects the Committee's belief in the importance of having substantial at risk compensation to provide a direct and strong link between performance and executive pay. For the other Named Officers, the Committee targeted salaries at the midpoint of the competitive industry standard. The other Named Officers received base salary increases averaging 11.98% for 2003.

In keeping with the Committee's belief that compensation should be directly linked to successful performance, the Company employs both annual and long-term incentive compensation plans. The annual incentive compensation is determined under the Executive Incentive Compensation Plan. The Committee makes awards based upon the level of corporate earnings, cost efficiency, and individual performance. Mr. White received a total of \$1,200,000 (or 200% of the targeted amount) in annual incentive compensation for 2003; the other Named Officers received an average of \$245,366 or 180% of the targeted amount, based upon achievement of corporate earnings and individual performance above the target level.

Long-term incentive compensation serves to encourage successful strategic management and is awarded under the 1997 Executive Long-Term Incentive Plan.

Effective in 2003, several changes were made to the long-term incentive program as a result of the study discussed above. The Committee does not expect to make additional stock option or restricted stock grants under the 1997 Executive Long-Term Incentive Plan. Beginning with grants made in 2003, the Committee is using performance shares, with dividend equivalents, as the form of long-term incentive compensation. These awards are expected to be made annually. The performance periods will generally be three years, and performance goals will compare Company performance against a peer group in specified areas. Performance shares and dividend equivalents will be paid out, if earned, between 10% and 200% of the target award. Performance shares will be paid out in stock and dividend equivalents in cash. Awards for two performance periods were made to executive officers in 2003—2002-2004 and 2003-2005. The level of award for each executive officer was determined by using the Committee approved target incentive guidelines. This new long-term award is designed to ensure the retention value and the motivation effect of the Company's long-term compensation program on the Company's executive officers.

In recent years, the Committee has used stock options with dividend equivalents and performance-accelerated restricted stock as the components of long-term incentive compensation. Options were granted every three years with three-year performance cycles. The options

became exercisable automatically in nine years, but vesting was accelerated if the performance goals were met after three years. The size of the awards was based upon the executive's established pay grade, which took into consideration the job's internal value, based on overall complexity and responsibility, and external value as reflected in a market competitiveness comparison.

Options with a three-year performance cycle (2001-2003) and related dividend equivalents were granted in 2001. Performance goals established by the Committee and described in the 2002 Proxy Statement for the 2001-2003 performance cycle were exceeded; therefore, exercisability of the options was accelerated and dividend equivalents were earned at 151.7%, except for Mr. Tipton for whom the exercisability of 45.5% of his options was accelerated and dividend equivalents were earned at the same percent. No additional options were granted in 2003.

In addition, the Committee accelerated vesting of 67 percent of the restricted stock granted under the 1997 Executive Long-Term Incentive Plan, based on achievement of performance goals for the three-year period 2001-2003 at the 67th percentile.

At December 31, 2003, there were approximately 4.2 million options outstanding under the Company's various plans, which is approximately 3.7% of shares outstanding.

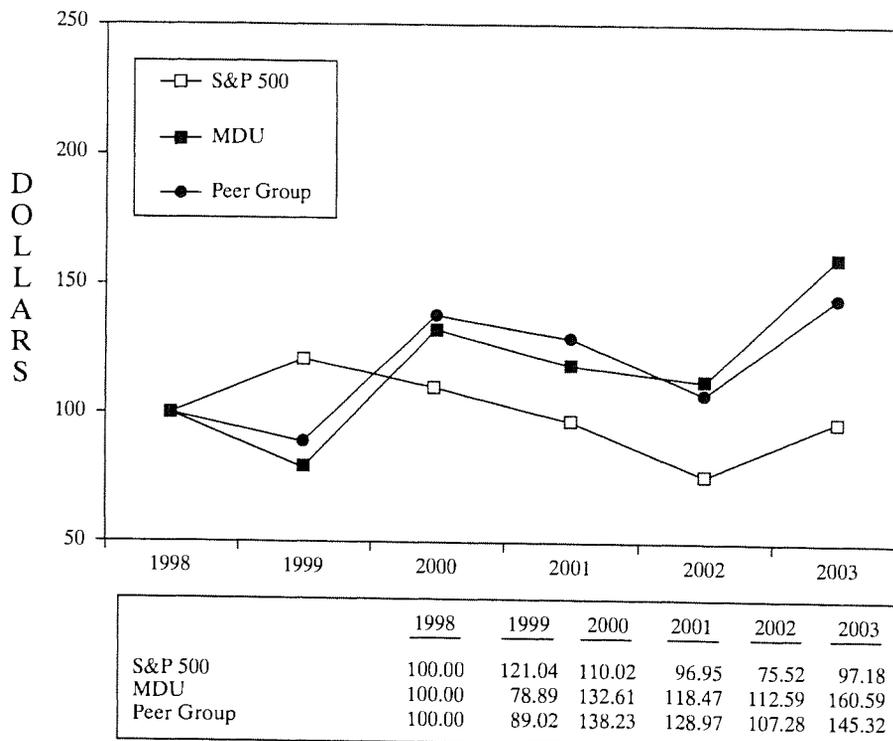
In 1994, the Board of Directors adopted Stock Ownership Guidelines under which executives are required to own Company Common Stock valued from one to four times their annual salary.

The Committee monitors the impact of federal tax laws on executive compensation, including Section 162(m) of the Internal Revenue Code. The deductibility of some types of compensation depends upon the timing of an executive's vesting or exercise of awards or on whether such awards qualify as "performance-based" under the provisions of Section 162(m). The Committee will consider the possible tax effect when structuring performance-based compensation but may pay compensation to its executive officers that is not fully deductible.

Harry J. Pearce, Chairman
Thomas Everist, Member
Patricia L. Moss, Member
Homer A. Scott, Jr., Member

MDU RESOURCES GROUP, INC. COMPARISON OF FIVE YEAR TOTAL STOCKHOLDER RETURN (1)

Total Stockholder Return Index (1998=100)



- (1) All data is indexed to December 31, 1998, for the Company, the S&P 500, and the Peer Group. Total stockholder return is calculated using the December 31 price for each year. It is assumed that all dividends are reinvested in stock at the frequency paid, and the returns of each component peer issuer of the group is weighted according to the issuer's stock market capitalization at the beginning of the period.

Peer Group issuers are Allegheny Energy, Inc., Allete, Inc., Alliant Energy Corporation, Black Hills Corporation, Comstock Resources, Inc., Equitable Resources, Inc., Florida Rock Industries, Inc., Hanson PLC ADR, KeySpan Corporation, Kinder Morgan, Inc., Louis Dreyfus Natural Gas Corp. (returns included for the full years of trading for 1998 through 2000. Discontinued trading in 2001, the result of the acquisition by Dominion Resources, Inc.), Martin Marietta Materials, Inc., Newfield Exploration Company, NICOR, Inc., OGE Energy Corp., ONEOK, Inc., Peoples Energy Corporation, Pogo Producing Company, Quanta Services, Inc., Questar Corporation, SCANA Corporation, Stone Energy Corporation, TECO Energy, Inc., UGI Corporation, Vectren Corporation (formerly Indiana Energy, Inc.), Vulcan Materials Company, and XTO Energy, Inc. (formerly Cross Timbers Oil Company).

BALANCE SHEET

Year: 2003

	Account Number & Title	Last Year	This Year	% Change
1	Assets and Other Debits			
2	Utility Plant			
3	101 Gas Plant in Service	\$207,668,012	\$214,218,620	3.15%
4	101.1 Property Under Capital Leases			
5	102 Gas Plant Purchased or Sold			
6	104 Gas Plant Leased to Others	25,772	25,772	0.00%
7	105 Gas Plant Held for Future Use			
8	105.1 Production Properties Held for Future Use			
9	106 Completed Constr. Not Classified - Gas			
10	107 Construction Work in Progress - Gas	2,238,797	1,932,649	-13.67%
11	108 (Less) Accumulated Depreciation	(131,500,970)	(135,226,064)	2.83%
12	111 (Less) Accumulated Amortization & Depletion	(531,369)	(544,070)	2.39%
13	114 Gas Plant Acquisition Adjustments	13,942,794	13,942,794	0.00%
14	115 (Less) Accum. Amort. Gas Plant Acq. Adj.	(1,104,166)	(1,713,678)	55.20%
15	116 Other Gas Plant Adjustments			
16	117 Gas Stored Underground - Noncurrent	1,913,520	2,361,258	23.40%
17	118 Other Utility Plant	640,284,477	662,364,228	3.45%
18	119 Accum. Depr. and Amort. - Other Util. Plant	(363,347,129)	(375,000,947)	3.21%
19	TOTAL Utility Plant	\$369,589,738	\$382,360,562	3.46%
20	Other Property & Investments			
21	121 Nonutility Property	\$174,544	\$1,036,084	493.59%
22	122 (Less) Accum. Depr. & Amort. of Nonutil. Prop.	(79,695)	(353,568)	343.65%
23	123 Investments in Associated Companies			
24	123.1 Investments in Subsidiary Companies	1,130,703,822	1,278,850,163	13.10%
25	124 Other Investments	26,757,835	22,254,889	-16.83%
26	125 Sinking Funds			
27	TOTAL Other Property & Investments	\$1,157,556,506	\$1,301,787,568	12.46%
28	Current & Accrued Assets			
29	131 Cash	\$5,959,888	\$861,378	-85.55%
30	132-134 Special Deposits	1,200	1,200	0.00%
31	135 Working Funds	130,965	15,965	-87.81%
32	136 Temporary Cash Investments	3,297,879	8,529,412	158.63%
33	141 Notes Receivable			
34	142 Customer Accounts Receivable	28,398,322	37,004,255	30.30%
35	143 Other Accounts Receivable	2,365,820	3,987,038	68.53%
36	144 (Less) Accum. Provision for Uncollectible Accts.	(241,038)	(319,419)	32.52%
37	145 Notes Receivable - Associated Companies			
38	146 Accounts Receivable - Associated Companies	16,147,799	17,473,063	8.21%
39	151 Fuel Stock	2,233,437	2,753,765	23.30%
40	152 Fuel Stock Expenses Undistributed			
41	153 Residuals and Extracted Products			
42	154 Plant Materials and Operating Supplies	5,894,011	6,197,652	5.15%
43	155 Merchandise	1,012,624	1,139,740	12.55%
44	156 Other Material & Supplies			
45	163 Stores Expense Undistributed			
46	164.1 Gas Stored Underground - Current	15,322,047	18,438,454	20.34%
47	165 Prepayments	7,220,656	8,839,446	22.42%
48	166 Advances for Gas Explor., Devl. & Production			
49	171 Interest & Dividends Receivable			
50	172 Rents Receivable			
51	173 Accrued Utility Revenues	20,628,893	27,625,923	33.92%
52	174 Miscellaneous Current & Accrued Assets	57,814	117,438	103.13%
53	TOTAL Current & Accrued Assets	\$108,430,317	\$132,665,310	22.35%