MONTANA-DAKOTA
UTILITIES CO.
A Division of MDU Resources Group, Inc.

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

December 20, 2012

Mr. Robert Nelson
Montana Consumer Counsel
111 North Last Chance Gulch, Suite 1B
PO Box 201703
Helena, MT 59620-1703

Re: General Gas Rate Application
Docket No. D2012.9.100

Dear Mr. Nelson:

Montana-Dakota Utilities Co. electronically submits its responses to the Montana Consumer Counsel's data requests dated November 30, 2012 and December 6, 2012. Responses to the following requests are attached:

MCC-005	MCC-122
MCC-055	MCC-123
MCC-056	MCC-124
MCC-064	MCC-127
MCC-076	MCC-130
MCC-078	

Sincerely,

Rita A. Mulkern

Rita A. Mulkern
Director of Regulatory Affairs

Attachments
cc: Service List

Montana-Dakota Utilities Co.
Docket No. D2012.9.100
Service List

Ms. Kate Whitney, Administrator
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MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100

MCC-005 RE: Adjustment No. 2 - Weather Normalization Revenues
Witness - Mulkern

This adjustment reflects the effect of normal weather on residential, firm general service, and small interruptible sales classes as well as the small and large interruptible transportation customers.

a. Explain and fully document the adjustments to revenues for the large interruptible sales and large interruptible transportation customers.

b. Provide all work papers, analyses, memos and other documentation that support the dekatherms and revenues under the "Normalized Dk @ Current Rates" columns on Rule 38.5.164, Statement H, page 4 of 7.

c. Given the reduction in revenues proposed by this adjustment, is there also a reduction in the cost of gas included in Adjustment No. 5 - Cost of Gas? If so, in what amount? If not, why not?

Response:

a. Customers taking natural gas service under the Large Interruptible Transportation Service Rate 82 may also take sales service under the Company's Large Interruptible Sales Service Rate 85 when their transportation service is interrupted, subject to availability. The per books revenue recorded under Rate 85 reflect the customers and volumes under this option. The adjustment to large interruptible sales reflects the removal of these sales volumes and inclusion of those same volumes under the large interruptible transportation rate priced at the current transportation rates that are the same as the non-gas rates under Rate 85. Large interruptible transportation normalized and annualized volumes were adjusted using a three year average as shown on Statement and Exhibit Workpapers, Statement H, pages 26, 58 and 59.

b. Please see the Statement and Exhibit Workpapers, Statement H, page 3, pages 5 through 14 and 19 through 60.

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100

c. The adjustment to the cost of gas (Adjustment No. 5) includes changes in volumes for weather normalization and annualization as well as using an annual cost of gas for 2012.

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100

MCC-055 **RE: Adjustment A - Plant additions**
Witness - Mulkern

a. For each of the items listed on Rule 38.5.124, Statement C, pages 6 and 7 of 7, indicate, by project # and account #, which ones have been completed, the date completed, and the cost as booked on the same basis as shown in the "Montana" column.

b. For each of the items listed on Rule 38.5.124, Statement C, pages 6 and 7 of 7, indicate, by project # and account #, which ones have not been completed, the currently expected completion date and the currently expected cost of the project on the basis as shown in the "Montana" column.

Response:

a. Please see Attachment A.
b. Please see Attachment A.

MONTANA-DAKOTA UTILITIES CO.
2012 PLANT ADDITIONS
GAS UTILITY - MONTANA

Budgeted Project No.	Acct. #	Description	Montana		Region	Actual Completion Date	Actual Cost	Estimated Completion Date	Updated Amount
		Production							
J189385	320	Landfill Gas Field Expansion	$24,906		Rocky Mountain	05/30/12	$24,755		
		Total Production	$24,906				$24,755		
		Distribution							
B11230R,B15230R	376	Replace Mains	$504,015		Rocky Mountain/Badlands	1/	$386,796	12/31/12	$117,219
J176140, J192226	376	Replace Main - Belfry	90,010		Rocky Mountain			12/31/12	63,718
J177092	376	Replace Phase 3 Loop - Glendive	55,917		Badlands			06/30/13	0
J177093	376	Replace Phase 2 Loop - Wibaux	39,142		Badlands			06/30/13	0
J177163	376	Replace 4" Main on Bench - Billings	22,506		Rocky Mountain			05/31/13	0
J190553	376	Replace Main Ave B East - Billings	129,305		Rocky Mountain	05/01/12	$130,189		
J192403	376	Install Mains and Services - Billings	31,853		Rocky Mountain	09/19/12	17,761		
J194149	376	Replace Mains Rimrock Road area - Billings	482,100		Rocky Mountain			12/31/12	612,046
J193221	376	Replace 4" Main Ext - Billings	0	2/	Rocky Mountain			12/30/12	35,143
B11234, B15234	378	Measuring and Regulating Equipment	26,647		Rocky Mountain/Badlands	1/	21,257	12/31/12	5,390
B11233, B15233	380	Service Lines	969,829		Rocky Mountain/Badlands	1/	822,180	12/31/12	147,649
J190554	380	Replace Main Ave B-E Services - Billings	180,002		Rocky Mountain	05/01/12	196,319		
B90031	381	Meters	395,073		General Office	1/	511,167	12/31/12	
B90032	383	Regulators	42,090		General Office	1/	111,107	12/31/12	
B11235, B15235	387	Cathodic Protection	107,305		Rocky Mountain/Badlands	1/	101,588	12/31/12	5,717
		Total Distribution	$3,075,794				$2,298,364		$986,882
		General							
B90038	392.2	Gas Vehicles	$139,603		General Office	1/	$73,798	12/31/12	$65,805
B11243, B15243	394.1	Minor Work Equipment	64,203		Rocky Mountain/Badlands	1/	25,265	12/31/12	38,938
B90039	396.2	Gas Work Equipment	347,473		Rocky Mountain	1/	72,619	12/31/12	274,854
B11244	397.1	Communication Equipment - Billings	11,546		Rocky Mountain	1/		12/31/12	11,546
		Total General	$562,825				$171,682		$391,143

MONTANA-DAKOTA UTILITIES CO.
2012 PLANT ADDITIONS
GAS UTILITY - MONTANA

Budgeted Project No.	Acct. #	Description	Montana		Region	Actual Completion Date	Actual Cost	Estimated Completion Date	Updated Amount
		Common							
J177018	390	Replace Transportation Building Roof	$4,947		General Office	09/27/12	$7,883		
J177021	390	Install Valves-Thermo - Annex	13,564		General Office	10/11/12	15,740		
J177165	390	Purchase backup Generator - Glendive	19,077		Badlands			02/28/13	$0
J177166	390	Replace siding front of Wolf Point office	4,059		Badlands	09/11/12	4,748		
J177168	390	Hydraulic gate for Dickinson Service Center	5,011		Badlands	09/26/12	13,026		
J177176	390	Replace roof of Dickinson office	7,138		Badlands			12/31/12	6,832
J194760	390	Remodel 5th Floor HR	0	2/	General Office	09/10/12	981		
J165574	391.1	Replace Conference Room Chairs	0	2/	General Office	01/25/12	2,514		
J177035	391.1	Purchase Tandem Storage Units	4,027		General Office	08/06/12	5,026		
J177042	391.1	Purchase Color Copier	15,797		General Office	12/12/12	20,151		
J177043	391.1	Purchase B/W Copier	19,592		General Office	12/12/12	24,991		
J177063	391.1	Purchase Bill Printer	29,594		General Office	11/01/12	45,768		
J189685	391.1	Purchase Microfilm Reader/Printer	0	2/	General Office	02/03/12	461		
J192194	391.1	Purchase Workstation for Land Agent	0	2/	General Office	06/27/12	895		
J194650	391.1	Purchase HM Panels for GO 5th	0	2/	General Office	09/10/12	622		
B15282, B90082	391.1	Office Equipment	14,964		Badlands/General Office	1/	3,514	12/31/12	11,450
B90080	391.3	Personal Computers	30,326		General Office	1/	27,818	12/31/12	2,508
J144522	391.3	Purchase 50 replacement MDTs	16,340		General Office	09/04/12	22,193		
J190782	391.3	Add Oracle Exadata Platforms	10,846		General Office	08/10/12	139,660		
B90078	392.2	Vehicles	66,479		General Office	1/	78,286		
B15283, B90083	394.1	Minor Work Equipment	14,211		Badlands/General Office	1/	8,953	12/31/12	5,258
B15244, B15284,	397.1	Communication Equipment	63,425		Badlands/General Office	1/	36,448	12/31/12	26,977
J177192	397.3	Replace General Office Phone System	47,553		General Office			12/31/12	47,883
J177193	397.3	Replace Call Record System - Call Center	10,821		General Office			08/31/13	0
B90081	397.8	Network Equipment	2,217		General Office	1/	2,375		
J157230	397.8	Install Network &Comm. Equip.- AMR	3,278		General Office			12/31/12	4,628
J177134	397.8	Purchase Polycom units for Conf.Rooms	2,984		General Office			12/20/12	4,214
J165575	398	Purchase mail inserter	0	2/	General Office	01/13/12	775		

MONTANA-DAKOTA UTILITIES CO.
2012 PLANT ADDITIONS
GAS UTILITY - MONTANA

Budgeted Project No.	Acct. #	Description	Montana		Region	Actual Completion Date	Actual Cost	Estimated Completion Date	Updated Amount
J177020	398	Purchase CTP Equipment - Print Shop	7,505		General Office			12/31/12	7,505
J177074	398	Purchase DC645 Cut/CRSR	3,175		General Office	02/17/12	4,049		
J177132	398	Replace UPS Battery	562		General Office	02/29/12	716		
J177167	398	Purchase Ice Maker - Wolf Point	978		Badlands	09/11/12	1,685		
J177169	398	Purchase Ice Machine - Dickinson	347		Badlands	03/30/12	332		
J177132	398	Purchase Pressure Washer - Dickinson	561		Badlands	02/29/12	716		
		Total Common	$419,378				$470,326		$117,255
		Common - Intangible							
J165746	303	Replace Mobile Workforce Software	$95,402		General Office			09/30/13	$0
J165747	303	Replace Field Collector Software	0	2/	General Office	08/28/12	$46,500		
J172806	303	Replace Customer Info System	4,937,603		General Office			12/31/12	4,937,603
J176834	303	Purchase/Deploy ARCGIS Mobile	41,034		General Office	06/01/12	55,072		
J176841	303	Purchase Automated Vehicle Loc. Software	19,900		General Office			12/31/12	19,900
J177281	303	Purchase Powerplan Software	130,262		General Office			02/28/13	0
J181432	303	Purchase IVR-Web Direct	45,170		General Office			12/31/12	45,170
			$5,269,371				$101,572		$5,002,673
Total Plant Additions			$9,352,274				$3,066,699		$6,497,953

1/ Work orders beginning with B are blanket work orders and the same work order number is used for a number of projects throughout the year. Projects within the work order are placed in service throughout the year. The actual amount is the amount spent (completed) through November 30, 2012 with the remaining budgeted amount to be spent by yea
2/ Work order that was not budgeted and was not known at the time of the rate case filing.

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100

MCC-056 RE: Adjustment A - Plant additions
Witness - Mulkern

Rule 38.5.124, Statement C, page 6 of 7 shows a 2012 budget amount for service lines (Account 380) in the amount $1,149,831 (the sum of $969,829 and $180,002).

a. How many new service lines are in the budget?

b. How many replacement service lines are in the budget?

c. What is the basis of the Company's estimate for new and replacement service lines?

Response:

a. There are approximately 600 new service lines in the 2012 budget.
b. There are approximately 300 replacement service lines in the 2012 budget.
c. New service lines are estimated based on a combination of historical experience and anticipated growth. Replacement service lines are estimated based on historical experience and known replacement projects.

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100

MCC-064 RE: Statement E, Adjustment H – Provision for Pensions and Benefits
Witness - Mulkern

a. Provide a schedule that shows the balance of the provision for pensions and benefits for each month from December 2011 through the most recent month available.

b. Provide a schedule that shows the budgeted/projected balances for each month from January 2012 through December 2012.

Response:

a. Please see Attachment A.
b. Please see Attachment A for actual balances through November 2012. Montana-Dakota does not project individual budget balances for pensions and benefits and therefore, a December 2012 projected balance is not available at this time.

MONTANA-DAKOTA UTILITIES CO.
PROVISION FOR PENSION AND BENEFITS
GAS UTILITY - MONTANA
DECEMBER 2011 - NOVEMBER 2012

	Provision for Pension and Benefits			DIT Pension and Benefits			
				DIT- Common		FDTA & SDTA	
	Company	Gas Utility 1/	Montana /2	Company	Gas Utility 1/	Gas Utility	Montana /2
December 2011	$14,596,722	$8,655,856	$2,364,130	($35,333,518)	($20,952,776)	$16,134,645	($1,315,952)
January 2012	$14,664,889	$8,696,279	$2,298,440	($35,333,518)	($20,952,776)	$16,119,542	($1,277,431)
February	14,733,056	8,736,702	2,309,124	(35,333,518)	(20,952,776)	16,104,439	(1,281,423)
March	20,350,833	12,068,044	3,189,602	(35,333,518)	(20,952,776)	14,859,763	(1,610,393)
April	22,296,906	13,222,065	3,494,612	(35,333,518)	(20,952,776)	14,428,591	(1,724,352)
May	22,365,073	13,262,488	3,505,296	(35,333,518)	(20,952,776)	14,413,488	(1,728,344)
June	22,394,298	13,279,819	3,509,876	(35,333,518)	(20,952,776)	14,407,014	(1,730,055)
July	24,333,880	14,429,991	3,813,869	(35,333,518)	(20,952,776)	13,977,279	(1,843,635)
August	26,273,462	15,580,163	4,117,861	(35,333,518)	(20,952,776)	16,025,324	(1,302,333)
September	26,335,138	15,616,737	4,127,527	(35,333,518)	(20,952,776)	16,011,659	(1,305,945)
October	26,396,814	15,653,311	4,137,194	(35,333,518)	(20,952,776)	15,997,994	(1,309,556)
November	26,458,490	15,689,885	4,146,861	(35,333,518)	(20,952,776)	13,581,679	(1,948,192)

1/ Payroll Expense - Gas	59.3%	
2/ MT Net Plant in Service	2011	2012
	27.312493%	26.430153%

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100

MCC-076 RE: Commodity Cost of Natural Gas
Witness: Robert C. Morman

In reference to your testimony at page 3, lines 21-23: Please provide the current corresponding Henry Hub price and forward prices or projections for the next three years, and your analysis showing that methane capture at the Billings Landfill facility remains economic at those current and future prices.

Response:

Please see Attachment A for the Henry Hub price projections for 2013-2015. Montana-Dakota has not analyzed the future price of gas produced from the landfill to the Henry Hub price as that is not a meaningful comparison.

NYMEX Pricing

	Nymex	Bentek		EIA	Henry Hub
		Forward Curve		STEO	Average
	12/11/12	9/29/12		12/11/12	
Jan-13	$ 3.412	$ 4.12	M Call	$ 3.910	$ 3.814
Feb-13	$ 3.441	$ 4.11	M Call	$ 3.860	$ 3.804
Mar-13	$ 3.452	$ 3.89	M Call	$ 3.700	$ 3.681
Apr-13	$ 3.471	$ 3.50		$ 3.630	$ 3.534
May-13	$ 3.515	$ 3.50		$ 3.690	$ 3.568
Jun-13	$ 3.554	$ 3.50		$ 3.710	$ 3.588
Jul-13	$ 3.596	$ 3.60		$ 3.800	$ 3.665
Aug-13	$ 3.623	$ 3.60		$ 3.830	$ 3.684
Sep-13	$ 3.629	$ 3.60		$ 3.720	$ 3.650
Oct-13	$ 3.663	$ 3.86		$ 3.810	$ 3.778
Nov-13	$ 3.771	$ 3.86		$ 3.830	$ 3.820
Dec-13	$ 3.954	$ 3.86		$ 3.990	$ 3.935
2013 Avg	**$ 3.590**	**$ 3.750**		**$ 3.790**	**$ 3.770**
Jan-14	$ 4.055	$ 3.94		$ 4.027	$ 3.984
Feb-14	$ 4.051	$ 3.94		$ 3.976	$ 3.958
Mar-14	$ 3.996	$ 3.94		$ 3.811	$ 3.876
Apr-14	$ 3.865	$ 3.84		$ 3.739	$ 3.789
May-14	$ 3.876	$ 3.84		$ 3.801	$ 3.820
Jun-14	$ 3.899	$ 3.84		$ 3.821	$ 3.831
Jul-14	$ 3.932	$ 3.91		$ 3.914	$ 3.912
Aug-14	$ 3.951	$ 3.91		$ 3.945	$ 3.927
Sep-14	$ 3.953	$ 3.91		$ 3.832	$ 3.871
Oct-14	$ 3.990	$ 4.12		$ 3.924	$ 4.022
Nov-14	$ 4.072	$ 4.12		$ 3.945	$ 4.032
Dec-14	$ 4.254	$ 4.12		$ 4.110	$ 4.115
2014 Avg	**$ 3.991**	**$ 3.953**		**$ 3.904**	**$ 3.928**
Jan-15	$ 4.355	$ 4.36		$ 4.148	$ 4.254
Feb-15	$ 4.330	$ 4.36		$ 4.095	$ 4.228
Mar-15	$ 4.250	$ 4.36		$ 3.925	$ 4.143
Apr-15	$ 4.025	$ 4.15		$ 3.851	$ 4.001
May-15	$ 4.035	$ 4.15		$ 3.915	$ 4.032
Jun-15	$ 4.054	$ 4.15		$ 3.936	$ 4.043
Jul-15	$ 4.087	$ 4.30		$ 4.031	$ 4.166
Aug-15	$ 4.104	$ 4.30		$ 4.063	$ 4.182
Sep-15	$ 4.107	$ 4.30		$ 3.947	$ 4.123
Oct-15	$ 4.142	$ 4.58		$ 4.042	$ 4.311
Nov-15	$ 4.230	$ 4.58		$ 4.063	$ 4.322
Dec-15	$ 4.421	$ 4.58		$ 4.233	$ 4.406
2015 Avg	**$ 4.178**	**$ 4.348**		**$ 4.021**	**$ 4.184**

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100

MCC-078 RE: Capturing Methane Gas from Landfills
Witness: Robert C. Morman

In your testimony at page 6, lines 22-23, you state that the Billings landfill currently produces approximately 130,000 dk annually. Please provide a table indicating monthly production and unit cost of gas produced from the facility. Also, please provide cost of production estimates for the next three years.

Response:

Please see Attachment A for production for the period December 2010-November 2012.
Please see Attachment B for the projected prices for the period 2013-2015.

CITY OF BILLINGS
LANDFILL GAS PRODUCTION

Month	MCF	BTU	DK	CIG Index CIG	15%	Amount Paid	Cost per DK
Nov-12	-	0.981	-	$3.35	$0.50		
Oct-12	-	0.981	-	2.72	0.41		
Sep-12	5,870	0.981	5,758	2.39	0.36	$2,073.24	$0.36
Aug-12	9,027	0.981	8,855	2.81	0.42	3,719.52	0.42
Jul-12	9,164	0.968	8,871	2.44	0.37	3,282.27	0.37
Jun-12	6,620	0.975	6,455	2.26	0.34	2,194.70	0.34
May-12	9,828	0.975	9,582	1.75	0.26	2,491.32	0.26
Apr-12	9,606	0.975	9,366	1.84	0.28	2,622.48	0.28
Mar-12	9,578	0.979	9,377	2.37	0.36	3,375.72	0.36
Feb-12	9,840	0.979	9,633	2.51	0.38	3,660.54	0.38
Jan-12	9,625	0.975	9,384	2.98	0.45	4,222.80	0.45
Dec-11	9,704	0.974	9,452	3.33	0.50	4,726.00	0.50
Nov-11	11,781	0.978	11,522	3.41	0.51	5,876.22	0.51
Oct-11	10,716	0.985	10,555	3.56	0.53	5,594.15	0.53
Sep-11	11,275	0.987	11,128	3.70	0.56	6,231.68	0.56
Aug-11	10,003	0.970	9,703	4.08	0.61	5,918.83	0.61
Jul-11	11,265	0.976	10,995	3.96	0.59	6,487.05	0.59
Jun-11	11,000	0.976	10,736	3.99	0.60	6,441.60	0.60
May-11	11,384	0.976	11,111	3.97	0.60	6,666.60	0.60
Apr-11	11,159	0.966	10,780	3.97	0.60	6,468.00	0.60
Mar-11	12,288	0.973	11,956	3.60	0.54	6,456.24	0.54
Feb-11	6,554	0.974	6,384				
Calculated Volume	5,232	0.974	5,096				
to Meter Bypass		Total February	11,480	4.09	0.61	7,002.80	0.61
Jan-11	10,030	0.977	9,799	3.79	0.57	5,585.43	0.57
Dec-10	10,105	0.980	9,903	3.99	0.60	5,941.80	0.60

Date	Projected Production	Est. CIG Index (H Hub - $.20)	City of Billings Payment 15%	Cost per Dkt
Jan-13	11,532	$3.614	$6,251	$0.54
Feb-13	10,468	3.604	5,659	0.54
Mar-13	11,648	3.481	6,082	0.52
Apr-13	11,328	3.334	5,665	0.50
May-13	11,764	3.368	5,943	0.51
Jun-13	11,442	3.388	5,815	0.51
Jul-13	11,882	3.465	6,176	0.52
Aug-13	11,942	3.484	6,241	0.52
Sep-13	11,614	3.450	6,010	0.52
Oct-13	12,061	3.578	6,473	0.54
Nov-13	11,731	3.620	6,370	0.54
Dec-13	12,182	3.735	6,825	0.56
Jan-14	12,243	3.784	6,949	0.57
Feb-14	11,114	3.758	6,265	0.56
Mar-14	12,366	3.676	6,819	0.55
Apr-14	12,027	3.589	6,475	0.54
May-14	12,490	3.620	6,782	0.54
Jun-14	12,148	3.631	6,616	0.54
Jul-14	12,615	3.712	7,024	0.56
Aug-14	12,678	3.727	7,088	0.56
Sep-14	12,331	3.671	6,790	0.55
Oct-14	12,805	3.822	7,341	0.57
Nov-14	12,454	3.832	7,159	0.57
Dec-14	12,934	3.915	7,595	0.59
Jan-15	12,998	4.054	7,904	0.61
Feb-15	11,799	4.028	7,129	0.60
Mar-15	13,129	3.943	7,765	0.59
Apr-15	12,769	3.801	7,280	0.57
May-15	13,260	3.832	7,622	0.57
Jun-15	12,897	3.843	7,434	0.58
Jul-15	13,393	3.966	7,968	0.59
Aug-15	13,460	3.982	8,040	0.60
Sep-15	13,091	3.923	7,703	0.59
Oct-15	13,595	4.111	8,383	0.62
Nov-15	13,222	4.122	8,175	0.62
Dec-15	13,731	4.206	8,663	0.63

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED DECEMBER 6, 2012
DOCKET NO. D2012.9.100

MCC-122 RE: Software GL Essentials
Witness - Skabo

a. What costs associated with this software package are incorporated in the 2012 per books numbers in total and as allocated/assigned to the Montana gas operation?

b. What costs associated with this software package are incorporated into the test year in this case as known and measurable changes occurring in 2013 in total and as allocated/assigned to the Montana gas operation?

c. Should this software package result in operational efficiencies - and corresponding expense reductions? If so, how are these cost savings integrated into the test year in this case?

Response:

a. None, since this project will not be in service until 2013.

b. None, since Montana-Dakota's test period is twelve months ending December 31, 2011 adjusted for known and measurable changes through December 31, 2012.

c. The primary purpose of the GL Essential software package is to help manage work flow and to better allow for sharing of essential data. This will help Montana-Dakota efficiently manage compliance operations, and in particular new regulations. While the Company believes it is a cost effective tool to better manage the increasingly complex compliance environment, it has not identified any known expense reductions.

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED DECEMBER 6, 2012
DOCKET NO. D2012.9.100

MCC-123 RE: 3GIS Mobile mapping system
Witness - Skabo

a. What costs associated with this mobile mapping system are incorporated in the 2012 per books numbers in total and as allocated/assigned to the Montana gas operation?

b. What costs associated with this mobile mapping system are incorporated into the test year in this case as known and measurable changes occurring in 2013 in total and as allocated/assigned to the Montana gas operation?

c. Should this new mobile mapping system result in operational efficiencies - and corresponding expense reduction? If so, how are these cost savings integrated into the test year in this case?

Response:

a. The per books amounts reflect average plant as of December 31, 2011. Please see Rule 38.5.124, Statement C, page 7 of 7, work order J176834 for the plant addition related to the mobile mapping system in the amount of $41,034 applicable to Montana gas operations.

b. None, since Montana-Dakota's test period is the twelve months ending December 31, 2011 adjusted for known and measurable changes through December 31, 2012.

c. The primary purpose of the Mobile Mapping System, as noted in the testimony, is to better facilitate the flow of mapping information to the field, and from the field to the offices. This will help Montana-Dakota efficiently manage operations. While the Company believes it is a cost effective tool to better manage operations, it has not identified any known expense reductions.

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED DECEMBER 6, 2012
DOCKET NO. D2012.9.100

MCC-124 RE: New service lines
Witness - Skabo

The testimony (page 9, lines 5 - 10) indicates that from 2009 through 2011, 72% of the investment in service lines was related to growth. Please provide a breakdown of this investment by year from 2009 through 2011. Also, please update the breakdown of the investment in service lines between growth related and replacement for 2012 as available.

Response:

Please see Attachment A for the support for the percentage of service lines that were related to growth, which is based on number of service lines. As of November 30, 2012, Montana-Dakota invested approximately $1,129,099 in service lines, with 54 percent related to growth and 46 percent related to replacement service lines.

	2009	2010	2011
Replacement	$334,794	$354,200	$678,105
Growth	743,542	616,815	651,825
Total	$1,078,336	$971,015	$1,329,930
Replacement	31%	36%	51%
Growth	69%	64%	49%

	2012
Replacement	$521,522
Growth	607,577
Total	$1,129,099
Replacement	46%
Growth	54%

Rocky Mountain Region

	2012					% New vs. Rep	2011				
	Q1	Q2	Q3	Q4	Year Total		Q1	Q2	Q3	Q4	Year Total Total
Mains											
Billings-New	2,939	4,568			7,507	22%	610	2,621	14,811	32,407	50,449
Sheridan-New	6,770	1,400			8,170		70	214	4,468	20,370	25,122
TOTAL NEW	**9,709**	**5,968**	-	-	**15,677**		**680**	**2,835**	**19,279**	**52,777**	**75,571**
Billings-Repl	4,315	21,858			26,173	78%	576	2,023	10,788	32,570	45,957
Sheridan-Repl	460	-			460		-	270	-	495	765
TOTAL REPLACE	**4,775**	**21,858**	-	-	**26,633**		**576**	**2,293**	**10,788**	**33,065**	**46,722**
RMR TOTAL MAIN	**14,484**	**27,826**	-	-	**42,310**		**1,256**	**5,128**	**30,067**	**85,842**	**122,293**
Services											
Billings-New	88	170			258	40%	93	108	159	223	583
Sheridan-New	15	46			61		10	34	43	58	145
TOTAL NEW	**103**	**216**	-	-	**319**		**103**	**142**	**202**	**281**	**728**
Billings-Repl	138	245			383	60%	27	52	127	95	301
Sheridan-Repl	2	12					-	14	20	598	
TOTAL REPLACE	**140**	**257**	-	-	**383**		**27**	**66**	**147**	**693**	**301**
RMR TOTAL SERVICES	**243**	**689**	-	-	**932**		**233**	**350**	**551**	**1,255**	**2,389**

	2008					% New vs. Rep	2007				
	Q1	Q2	Q3	Q4	Year Total		Q1	Q2	Q3	Q4	Year Total
Mains											
Billings-New	17,284	19,729	34,535	64,790	136,338	83%	25,019	20,129	58,596	35,850	139,594
Sheridan-New	9,585	12,134	4,744	44,546	**71,009**		1,982	18,962	12,227	12,869	**46,040**
TOTAL NEW	**26,869**	**31,863**	**39,279**	**109,336**	**207,347**		**27,001**	**39,091**	**70,823**	**48,719**	**185,634**
Billings-Repl	3,154	4,443	15,442	5,236	28,275	17%	2,087	3,598	3,421	3,875	12,981
Sheridan-Repl	-	26	6,959	8,094	**15,079**		26	-	1,486	5,500	**7,012**
TOTAL REPLACE	**3,154**	**4,469**	**22,401**	**13,330**	**43,354**		**2,113**	**3,598**	**4,907**	**9,375**	**19,993**
RMR TOTAL MAIN	**30,023**	**36,332**	**61,680**	**122,666**	**250,701**		**29,114**	**42,689**	**75,730**	**58,094**	**205,627**
Services											
Billings-New	141	244	276	382	1,043	83%	204	212	277	460	1,153
Sheridan-New	20	74	99	121	314		29	50	97	150	326
TOTAL NEW	**161**	**318**	**375**	**503**	**1,357**		**233**	**262**	**374**	**610**	**1,479**
Billings-Repl	45	66	70	38	219	17%	9	51	49	70	179
Sheridan-Repl	-	4	6	39	49		3	5	8	25	41
TOTAL REPLACE	**45**	**70**	**76**	**77**	**268**		**12**	**56**	**57**	**95**	**220**
RMR TOTAL SERVICES	**206**	**388**	**451**	**580**	**1,625**		**245**	**318**	**431**	**705**	**1,699**

Avg			
149,530	747,650	new footage 2004-2008	89.8%
16,914	84,571	repl footage same	10.2%
1,097	5,484	New svcs 2004-08	
145	727	repl svc 2004-08	
Avg			
48,947	146,842	New Footage 2009-11	62.8%
29,005	87,015	Repl main 2009-11	37.2%
599	1,797	New svcs 2009-11	70.6%
249	748	repl svc 2009-11	

Rocky Mountain Regi

	% New vs. Rep	2010					% New vs. Rep	2009			
		Q1	Q2	Q3	Q4	Year Total		Q1	Q2	Q3	Q4
Mains											
Billings-New	52%	12,862	11,166	15,291	18,760	58,079	67%	11,092	3,423	9,354	14,445
Sheridan-New		20,510	110	29,730	23,108	73,458		52,862	-	13,349	5,902
TOTAL NEW		**33,372**	**11,276**	**45,021**	**41,868**	**131,537**					
Billings-Repl	48%	6,380	3,578	6,557	12,120	28,635	33%	58	2,862	3,036	6,467
Sheridan-Repl		5,100	11,144	8,524	2,079	26,847		-	435	4,802	12,663
TOTAL REPLACE		**11,480**	**14,722**	**15,081**	**14,199**	**55,482**		64,012	6,720	30,541	39,477
RMR TOTAL MAIN		**44,852**	**25,998**	**60,102**	**56,067**	**187,019**		**64,012**	**6,720**	**30,541**	**39,477**
Services											
Billings-New	66%	110	156	144	206	616	71%	123	141	161	173
Sheridan-New		9	25	38	51	123		20	26	39	45
TOTAL NEW		**119**	**181**	**182**	**257**	**739**					
Billings-Repl	34%	43	30	100	75	248	29%	35	39	55	70
Sheridan-Repl		1	22	14	47			-	48	31	6
TOTAL REPLACE		**44**	**52**	**114**	**122**	**248**		178	254	286	294
RMR TOTAL SERVICES		**282**	**414**	**478**	**636**	**1,810**		**178**	**254**	**286**	**294**

	% New vs. Rep	2006					% New vs. Rep	2005			
		Q1	Q2	Q3	Q4	Year Total		Q1	Q2	Q3	Q4
Mains											
Billings-New	91%	30,856	45,114	22,057	73,301	171,328	85%	37,554	49,430	42,596	60,965
Sheridan-New		3,519	4,010	19,297	46,600			31,013	12,376	6,390	73,108
TOTAL NEW		**34,375**	**49,124**	**41,354**	**119,901**	171,328		**68,567**	**61,806**	**48,986**	**134,073**
Billings-Repl	9%	5,398	6,333	761	17,621	30,113	15%	-	622	2,602	844
Sheridan-Repl		-	16	2,743	-	**2,759**		407	1,125	-	33
TOTAL REPLACE		**5,398**	**6,349**	**3,504**	**17,621**	**32,872**	15%	**407**	**1,747**	**2,602**	**877**
RMR TOTAL MAIN		**39,773**	**55,473**	**44,858**	**137,522**	204,200		**68,974**	**63,553**	**51,588**	**134,950**
Services											
Billings-New	87%	201	242	285	295	1,023	87%	226	245	296	321
Sheridan-New		33	53	76	93			68	76	90	59
TOTAL NEW		**234**	**295**	**361**	**388**	**1,023**		**294**	**321**	**386**	**380**
Billings-Repl	13%	33	39	24	58	154	13%	-	32	18	27
Sheridan-Repl		4	29	24	1	58		-	28	19	4
TOTAL REPLACE		**37**	**68**	**48**	**59**	**212**		-	**60**	**37**	**31**
RMR TOTAL SERVICES		**271**	**363**	**409**	**447**	**1,235**		**294**	**381**	**423**	**411**

Rocky Mountain Regi

	Year Total	% New
Mains		
Billings-New	38,314	76%
Sheridan-New	72,113	
TOTAL NEW	**110,427**	
Billings-Repl	12,423	24%
Sheridan-Repl	17,900	
TOTAL REPLACE	**30,323**	
RMR TOTAL MAIN	**140,750**	
Services		
Billings-New	598	75%
Sheridan-New	130	
TOTAL NEW		
Billings-Repl	199	25%
Sheridan-Repl		
TOTAL REPLACE	**1,012**	
RMR TOTAL SERVICES	**1,012**	

		% New	2004					% New vs. Rep
	Year Total		**Q1**	**Q2**	**Q3**	**Q4**	**Year Total**	
Mains								
Billings-New	190,545	98%	14,351	28,551	30,779	36,164	109,845	92%
Sheridan-New	**122,887**		1,590	13,165	14,989	11,111	**40,855**	
TOTAL NEW	**313,432**		**15,941**	**41,716**	**45,768**	**47,275**	**150,700**	
Billings-Repl	4,068	2%	1,933	122	2,553	4,526	9,134	8%
Sheridan-Repl	**1,565**		6,161	30,752	360	3,174	**40,447**	
TOTAL REPLACE	**5,633**		**8,094**	**30,874**	**2,913**	**7,700**	**49,581**	
RMR TOTAL MAIN	**319,065**		**24,035**	**72,590**	**48,681**	**54,975**	**200,281**	
Services								
Billings-New	1,088	93%	84	288	342	463	1,177	**
Sheridan-New	293		12	103	188	109	412	
TOTAL NEW	**1,381**		**96**	**391**	**530**	**572**	**1,589**	
Billings-Repl	77	7%	98				98	**
Sheridan-Repl	51		34				34	
TOTAL REPLACE	**128**		**132**	**-**	**-**	**-**	**132**	
RMR TOTAL SERVICES	**1,509**		**228**	**391**	**530**	**572**	**1,721**	

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED DECEMBER 6, 2012
DOCKET NO. D2012.9.100

MCC-127 RE: Customer Care and Billing (CC&B)
Witness - Gardner

a. What costs associated with the CC&B are incorporated in the 2012 per costs in total and as allocated/assigned to the Montana gas operation?

b. What costs associated with the CC&B are incorporated into the test year in this case as known and measurable changes occurring in 2013 in total and as allocated/assigned to the Montana gas operation?

c. Should the CC&B result in operational efficiencies - and corresponding expense reductions? If so, how are these expense reductions integrated into the test year in this case?

Response:

a. None, as the per books amounts reflect average plant as of December 31, 2011.

b. Please see Rule 38.5.124, Statement C, page 7 of 7, work order J172806 for the plant addition related to the customer billing system in the amount of $4,937,603 applicable to Montana gas operations. Please see Statement Workpapers, Statement C, page C-13 for the total company amount and allocation to Montana.

c. The primary purpose of the CC&B implementation is to provide a top tier platform for customer information storage, and accurate billing. The system also provides a configurable platform to provide other customer services, such as electronic bill presentment. While Montana-Dakota believes the system to be a cost effective tool to provide these necessary services, it has not identified any known expense reductions.

MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED DECEMBER 6, 2012
DOCKET NO. D2012.9.100

MCC-130 RE: Medical plan benefits
Witness - Jones

a. When did the change to the medical benefit plans that "...restructured and priced the medical benefit plans. . ." take place?

b. Did these changes result in lower medical plan costs for the Montana gas operation? If so, how much? If not, why not?

c. How much is the cost of service in this test year reduced as a result of these changes? Does this reduction reflect a full year of cost savings?

Response:

a. The referenced changes began in 2010 in an effort to control future benefit costs while providing competitive and sustainable benefits. In 2010, the Company changed the retiree medical benefits offered for active employees where the cost savings will be realized in future years as active employees retire from the Company.

In 2011 Montana-Dakota moved its benefits from a three tier premium structure to a five tier premium structure in order to align employee premiums with the groups where costs were being incurred. The Catastrophic Plan was added as an option for its employees that placed the burden of the annual deductible and out-of-pocket maximum on the employee.

In 2012 Montana-Dakota introduced a Health Savings Account (HSA) as a choice for its employees and dropped the Catastrophic Plan. The HSA medical plan puts the burden of initial costs of benefits (deductibles and out-of-pocket expenses) on the employee where the first dollar charges are often paid by the employee and therefore, maintains the current cost of its medical benefits plan.

b. The change in medical benefit plans ensured the Company would be able to maintain the current cost of the plans. Montana-Dakota has not quantified the change in medical plan costs for Montana gas operations.

c. The changes for 2012 are reflected in the pro forma medical expense at the 2012 level.