

N2014.2.17

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YEAR ENDING

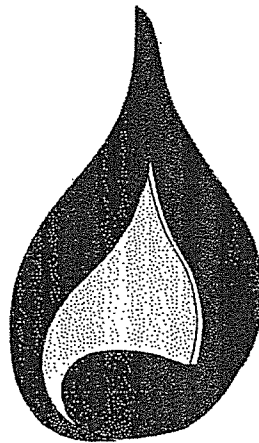
2014

MAY 04 2015  
MONT. P.S. COMMISSION

# ANNUAL REPORT OF

Cut Bank Gas Company

## GAS UTILITY



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

**IDENTIFICATION**

Year: 2014

|                                |  |  |
|--------------------------------|--|--|
| 1.                             | Legal Name of Respondent:  | Cut Bank Gas Company                   |
| 2.                             | Name Under Which Respondent Does Business:   | Cut Bank Gas Company                   |
| 3.                             | Date Utility Service First Offered in Montana  | 19-Nov-56                              |
| 4.                             | Address to send Correspondence Concerning Report:  | 403 East Main St<br>Cut Bank, MT 59427 |
| 5.                             | Person Responsible for This Report:  | Jed Henthorne                          |
| 5a.                            | Telephone Number:  | (406)791-7500                          |
| <b>Control Over Respondent</b> |  |  |
| 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**

| <b>Board of Directors</b> |  |                  |
|---------------------------|--|------------------|
| Line No.                  | Name of Director and Address (City, State) |                  |
|                           | (a)  | Remuneration (b) |
| 1                         | Kevin Degenstein<br>Great Falls, MT        |                  |
| 2                         | Jed Henthorne<br>Great Falls, MT           |                  |
| 3                         | Nick Bohr<br>Great Falls, MT               |                  |

Officers

Year : 2014

| Line No. | Title of Officer (a) | Department Supervised (b) | Name (c)         |
|----------|----------------------|---------------------------|------------------|
| 1        | General Manager      | Total Company             | Nick Bohr        |
| 2        |                      |                           |                  |
| 3        | VP Administration    | Total Company             | Jed D. Henthorne |
| 4        |                      |                           |                  |
| 7        | Secretary            | Total Company             | Cheryl Johnson   |
| 8        |                      |                           |                  |
| 9        | President            | Total Company             | Kevin Degenstein |
| 10       |                      |                           |                  |
| 11       |                      |                           |                  |
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| 49       |                      |                           |                  |
| 50       |                      |                           |                  |

CORPORATE STRUCTURE

Year: 2014

| Subsidiary/Company Name                  | Line of Business | Earnings | Percent of Total |
|--|------------------|----------|------------------|
| 1 Cut Bank Gas Company - a subsidiary of |                  | 177,313  | 100.00%          |
| 2 Energy West Incorporated               |                  |          |                  |
| 3  |                  |          |                  |
| 4  |                  |          |                  |
| 5  |                  |          |                  |
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| 35                                       |                  |          |                  |
| 36                                       |                  |          |                  |
| 37                                       |                  |          |                  |
| 38                                       |                  |          |                  |
| 39                                       |                  |          |                  |
| 40                                       |                  |          |                  |
| 41                                       |                  |          |                  |
| 42                                       |                  |          | 100.00%          |
| 43                                       |                  |          |                  |
| 44                                       |                  |          |                  |
| 45                                       |                  |          |                  |
| 46                                       |                  |          |                  |
| 47                                       |                  |          |                  |
| 48                                       |                  |          |                  |
| 50 TOTAL                                 |                  | 177,313  |                  |

CORPORATE ALLOCATIONS

Year: 2014

|    | Items Allocated | Classification | Allocation Method         | \$ to MT Utility | MT %  | \$ to Other |
|----|-----------------|----------------|---------------------------|------------------|-------|-------------|
| 1  | ENERGY WEST,    | 921            | DIRECT PAYROLL & 4 FACTOR | 124,722          | 2.70% | 4,479,416   |
| 2  | OVERHEADS       |                |                           |                  |       |             |
| 3  |                 |                |                           |                  |       |             |
| 4  |                 |                |                           |                  |       |             |
| 5  |                 |                |                           |                  |       |             |
| 6  |                 |                |                           |                  |       |             |
| 7  |                 |                |                           |                  |       |             |
| 8  |                 |                |                           |                  |       |             |
| 9  |                 |                |                           |                  |       |             |
| 10 |                 |                |                           |                  |       |             |
| 11 |                 |                |                           |                  |       |             |
| 12 |                 |                |                           |                  |       |             |
| 13 |                 |                |                           |                  |       |             |
| 14 |                 |                |                           |                  |       |             |
| 15 |                 |                |                           |                  |       |             |
| 16 |                 |                |                           |                  |       |             |
| 17 |                 |                |                           |                  |       |             |
| 18 |                 |                |                           |                  |       |             |
| 19 |                 |                |                           |                  |       |             |
| 20 |                 |                |                           |                  |       |             |
| 21 |                 |                |                           |                  |       |             |
| 22 |                 |                |                           |                  |       |             |
| 24 |                 |                |                           |                  |       |             |
| 25 |                 |                |                           |                  |       |             |
| 26 |                 |                |                           |                  |       |             |
| 27 |                 |                |                           |                  |       |             |
| 28 |                 |                |                           |                  |       |             |
| 29 |                 |                |                           |                  |       |             |
| 30 |                 |                |                           |                  |       |             |
| 31 |                 |                |                           |                  |       |             |
| 32 |                 |                |                           |                  |       |             |
| 33 |                 |                |                           |                  |       |             |
| 34 | TOTAL           |                |                           | 124,722          | 2.71% | 4,479,416   |

## AFFILIATE TRANSACTIONS - PRODUCTS &amp; SERVICES PROVIDED TO UTILITY

Year: 2014

| Line No. | (a)<br>Affiliate Name | (b)<br>Products & Services | (c)<br>Method to Determine Price | (d)<br>Charges to Utility | (e)<br>% Total Affil. Revs. | (f)<br>Charges to MT Utility |
|----------|-----------------------|----------------------------|----------------------------------|---------------------------|-----------------------------|------------------------------|
| 1        | None                  |                            |                                  |                           |                             |                              |
| 2        |                       |                            |                                  |                           |                             |                              |
| 3        |                       |                            |                                  |                           |                             |                              |
| 4        |                       |                            |                                  |                           |                             |                              |
| 5        |                       |                            |                                  |                           |                             |                              |
| 6        |                       |                            |                                  |                           |                             |                              |
| 7        |                       |                            |                                  |                           |                             |                              |
| 8        |                       |                            |                                  |                           |                             |                              |
| 9        |                       |                            |                                  |                           |                             |                              |
| 10       |                       |                            |                                  |                           |                             |                              |
| 11       |                       |                            |                                  |                           |                             |                              |
| 12       |                       |                            |                                  |                           |                             |                              |
| 13       |                       |                            |                                  |                           |                             |                              |
| 14       |                       |                            |                                  |                           |                             |                              |
| 15       |                       |                            |                                  |                           |                             |                              |
| 16       |                       |                            |                                  |                           |                             |                              |
| 17       |                       |                            |                                  |                           |                             |                              |
| 18       |                       |                            |                                  |                           |                             |                              |
| 19       |                       |                            |                                  |                           |                             |                              |
| 20       |                       |                            |                                  |                           |                             |                              |
| 21       |                       |                            |                                  |                           |                             |                              |
| 22       |                       |                            |                                  |                           |                             |                              |
| 23       |                       |                            |                                  |                           |                             |                              |
| 24       |                       |                            |                                  |                           |                             |                              |
| 25       |                       |                            |                                  |                           |                             |                              |
| 26       |                       |                            |                                  |                           |                             |                              |
| 27       |                       |                            |                                  |                           |                             |                              |
| 28       |                       |                            |                                  |                           |                             |                              |
| 29       |                       |                            |                                  |                           |                             |                              |
| 30       |                       |                            |                                  |                           |                             |                              |
| 31       |                       |                            |                                  |                           |                             |                              |
| 32       | TOTAL                 |                            |                                  |                           |                             |                              |

**AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY** Year: 2014

| Line No. | (a)<br>Affiliate Name | (b)<br>Products & Services | (c)<br>Method to Determine Price | (d)<br>Charges to Affiliate | (e)<br>% Total Affil. Exp. | (f)<br>Revenues to MT Utility |
|----------|-----------------------|----------------------------|----------------------------------|-----------------------------|----------------------------|-------------------------------|
| 1        | None                  |                            |                                  |                             |                            |                               |
| 2        |                       |                            |                                  |                             |                            |                               |
| 3        |                       |                            |                                  |                             |                            |                               |
| 4        |                       |                            |                                  |                             |                            |                               |
| 5        |                       |                            |                                  |                             |                            |                               |
| 6        |                       |                            |                                  |                             |                            |                               |
| 7        |                       |                            |                                  |                             |                            |                               |
| 8        |                       |                            |                                  |                             |                            |                               |
| 9        |                       |                            |                                  |                             |                            |                               |
| 10       |                       |                            |                                  |                             |                            |                               |
| 11       |                       |                            |                                  |                             |                            |                               |
| 12       |                       |                            |                                  |                             |                            |                               |
| 13       |                       |                            |                                  |                             |                            |                               |
| 14       |                       |                            |                                  |                             |                            |                               |
| 15       |                       |                            |                                  |                             |                            |                               |
| 16       |                       |                            |                                  |                             |                            |                               |
| 17       |                       |                            |                                  |                             |                            |                               |
| 18       |                       |                            |                                  |                             |                            |                               |
| 19       |                       |                            |                                  |                             |                            |                               |
| 20       |                       |                            |                                  |                             |                            |                               |
| 21       |                       |                            |                                  |                             |                            |                               |
| 22       |                       |                            |                                  |                             |                            |                               |
| 23       |                       |                            |                                  |                             |                            |                               |
| 24       |                       |                            |                                  |                             |                            |                               |
| 25       |                       |                            |                                  |                             |                            |                               |
| 26       |                       |                            |                                  |                             |                            |                               |
| 27       |                       |                            |                                  |                             |                            |                               |
| 28       |                       |                            |                                  |                             |                            |                               |
| 29       |                       |                            |                                  |                             |                            |                               |
| 30       |                       |                            |                                  |                             |                            |                               |
| 31       |                       |                            |                                  |                             |                            |                               |
| 32       | <b>TOTAL</b>          |                            |                                  |                             |                            |                               |

**MONTANA UTILITY INCOME STATEMENT**

Year: 2014

|    | Account Number & Title                               | Last Year        | This Year        | % Change       |
|----|--|------------------|------------------|----------------|
| 1  | 400 Operating Revenues                               | 1,801,479        | 2,057,910        | 14.23%         |
| 2  |  |                  |                  |                |
| 3  | Operating Expenses                                   |                  |                  |                |
| 4  | 401 Operation Expenses                               | 1,567,234        | 1,769,017        | 12.88%         |
| 5  | 402 Maintenance Expense                              | 64,733           | 28,780           | -55.54%        |
| 6  | 403 Depreciation Expense                             | 12,927           | 33,850           | 161.86%        |
| 7  | 404-405 Amort. & Depl. of Gas Plant                  |                  |                  |                |
| 8  | 406 Amort. of Gas Plant Acquisition Adjustments      |                  |                  |                |
| 9  | 407.1 Amort. of Property Losses, Unrecovered Plant   |                  |                  |                |
| 10 | & Regulatory Study Costs                             |                  |                  |                |
| 11 | 407.2 Amort. of Conversion Expense                   |                  |                  |                |
| 12 | 408.1 Taxes Other Than Income Taxes                  | 43,468           | 42,376           | -2.51%         |
| 13 | 409.1 Income Taxes - Federal                         | 98,360           | 35,443           | -63.97%        |
| 14 | - Other  | 11,330           | 5,782            | -48.97%        |
| 15 | 410.1 Provision for Deferred Income Taxes            | (77,641)         | (34,652)         | 55.37%         |
| 16 | 411.1 (Less) Provision for Def. Inc. Taxes - Cr.     |                  |                  |                |
| 17 | 411.4 Investment Tax Credit Adjustments              |                  |                  |                |
| 18 | 411.6 (Less) Gains from Disposition of Utility Plant |                  |                  |                |
| 19 | 411.7 Losses from Disposition of Utility Plant       |                  |                  |                |
| 20 | <b>TOTAL Utility Operating Expenses</b>              | <b>1,720,411</b> | <b>1,880,596</b> | <b>9.31%</b>   |
| 21 | <b>NET UTILITY OPERATING INCOME</b>                  | <b>81,068</b>    | <b>177,314</b>   | <b>118.72%</b> |

SCHEDULE 9

**MONTANA REVENUES**

Year: 2014

|    | Account Number & Title                           | Last Year        | This Year        | % Change      |
|----|--|------------------|------------------|---------------|
| 1  | Sales of Gas                                     |                  |                  |               |
| 2  | 480 Residential                                  | 1,103,555        | 1,243,947        | 12.7%         |
| 3  | 481 Commercial & Industrial - Small              | 688,543          | 808,110          | 17.4%         |
| 4  | Commercial & Industrial - Large                  |                  |                  |               |
| 5  | 482 Other Sales to Public Authorities            |                  |                  |               |
| 6  | 484 Interdepartmental Sales                      |                  |                  |               |
| 7  | 485 Intracompany Transfers                       |                  |                  |               |
| 8  | <b>TOTAL Sales to Ultimate Consumers</b>         | <b>1,792,098</b> | <b>2,052,057</b> | <b>14.5%</b>  |
| 9  | 483 Sales for Resale                             |                  |                  |               |
| 10 | <b>TOTAL Sales of Gas</b>                        | <b>1,792,098</b> | <b>2,052,057</b> | <b>14.5%</b>  |
| 11 | Other Operating Revenues                         |                  |                  |               |
| 12 | 487 Forfeited Discounts & Late Payment Revenues  |                  |                  |               |
| 13 | 488 Miscellaneous Service Revenues               | 2,811            | 4,303            | 53.1%         |
| 14 | 489 Revenues from Transp. of Gas for Others      |                  |                  |               |
| 15 | 490 Sales of Products Extracted from Natural Gas |                  |                  |               |
| 16 | 491 Revenues from Nat. Gas Processed by Others   |                  |                  |               |
| 17 | 492 Incidental Gasoline & Oil Sales              |                  |                  |               |
| 18 | 493 Rent From Gas Property                       |                  |                  |               |
| 19 | 494 Interdepartmental Rents                      |                  |                  |               |
| 20 | 495 Other Gas Revenues                           | 6,570            | 1,550            | -76.4%        |
| 21 | <b>TOTAL Other Operating Revenues</b>            | <b>9,381</b>     | <b>5,853</b>     | <b>-37.6%</b> |
| 22 | <b>Total Gas Operating Revenues</b>              | <b>1,801,479</b> | <b>2,057,910</b> | <b>14.2%</b>  |
| 23 |  |                  |                  |               |
| 24 | 496 (Less) Provision for Rate Refunds            |                  |                  |               |
| 25 |  |                  |                  |               |
| 26 | <b>TOTAL Oper. Revs. Net of Pro. for Refunds</b> | <b>1,801,479</b> | <b>2,057,910</b> | <b>14.2%</b>  |
| 27 |  |                  |                  |               |



SCHEDULE 9A

SCHEDULE TO ATTACH TO PSC REPORT  
12/31/2014

Line 48 Sch 9 Other Gas Revenue

|  | Last Year    | This Year    |
|--|--------------|--------------|
| Interest Income                          | 427          | 397          |
| Patronage Dividend                       |              |              |
| Loss on Investment in Cooperatives       |              |              |
| Miscellaneous                            | 963          | 653          |
| Gain on Disposal of Non-Utility Property | 5,180        | 500          |
| Totals                                   | <u>6,570</u> | <u>1,550</u> |

## MONTANA OPERATION &amp; MAINTENANCE EXPENSES

Year: 2014

| Account Number & Title |   | Last Year | This Year | % Change |
|------------------------|---|-----------|-----------|----------|
| 1                      | <b>Production Expenses</b>                          |           |           |          |
| 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                     | <b>Total Operation - Natural Gas Production</b>     |           |           |          |
| 15                     | Production & Gathering - Maintenance                |           |           |          |
| 16                     | 761 Maintenance Supervision & Engineering           | 19,094    | 10,680    | -44%     |
|                        | 762 Maintenance of Structures & Improvements        |           |           |          |
| 18                     | 763 Maintenance of Producing Gas Wells              | 16,397    |           | -100%    |
| 19                     | 764 Maintenance of Field Lines                      | 2,455     |           | -100%    |
| 20                     | 765 Maintenance of Field Compressor Sta. Equip.     | 2,068     |           | -100%    |
| 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                     | <b>Total Maintenance- Natural Gas Prod.</b>         | 40,014    | 10,680    | -73%     |
| 26                     | <b>TOTAL Natural Gas Production &amp; Gathering</b> | 40,014    | 10,680    | -73%     |
| 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                     | <b>Total Operation - Products Extraction</b>        |           |           |          |
| 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                     | <b>Total Maintenance - Products Extraction</b>      |           |           |          |
| 53                     | <b>TOTAL Products Extraction</b>                    |           |           |          |

## MONTANA OPERATION &amp; MAINTENANCE EXPENSES

Year: 2014

| Account Number & Title |  | Last Year        | This Year        | % Change   |
|------------------------|--|------------------|------------------|------------|
| 1                      | <b>Production Expenses - continued</b>                 |                  |                  |            |
| 2                      |  |                  |                  |            |
| 3                      | Exploration & Development - Operation                  |                  |                  |            |
| 4                      | 795 Delay Rentals                                      |                  |                  |            |
| 5                      | 796 Nonproductive Well Drilling                        |                  |                  |            |
| 6                      | 797 Abandoned Leases                                   |                  |                  |            |
| 7                      | 798 Other Exploration                                  |                  |                  |            |
| 8                      | <b>TOTAL Exploration &amp; Development</b>             |                  |                  |            |
| 9                      |  |                  |                  |            |
| 10                     | Other Gas Supply Expenses - Operation                  |                  |                  |            |
| 11                     | 800 Natural Gas Wellhead Purchases                     | 2,456            | 3,102            | 26%        |
| 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                    | 947,930          | 1,152,745        | 22%        |
| 17                     | 805 Other Gas Purchases                                |                  |                  |            |
| 18                     | 805.1 Purchased Gas Cost Adjustments                   | 126,951          | 124,802          | -2%        |
| 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.                  |                  |                  |            |
| 27                     | 808.2 (Less) Gas Delivered to Storage -Cr.             |                  |                  |            |
| 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                          |                  |                  |            |
| 33                     | <b>TOTAL Other Gas Supply Expenses</b>                 | <b>1,077,337</b> | <b>1,280,649</b> | <b>19%</b> |
| 34                     |  |                  |                  |            |
| 35                     | <b>TOTAL PRODUCTION EXPENSES</b>                       | <b>1,117,351</b> | <b>1,291,329</b> | <b>16%</b> |

## MONTANA OPERATION &amp; MAINTENANCE EXPENSES

Year: 2014

| Account Number & Title |   | Last Year | This Year | % Change |
|------------------------|---|-----------|-----------|----------|
| 1                      | <b>Storage, Terminaling &amp; Processing Expenses</b> |           |           |          |
| 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                 |           |           |          |
| 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                     | <b>Total Operation - Underground Strg. Exp.</b>       |           |           |          |
| 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.           |           |           |          |
| 26                     | 836 Maintenance of Purification Equipment             |           |           |          |
| 27                     | 837 Maintenance of Other Equipment                    |           |           |          |
| 28                     | <b>Total Maintenance - Underground Storage</b>        |           |           |          |
| 29                     | <b>TOTAL Underground Storage Expenses</b>             |           |           |          |
| 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                                      |           |           |          |
| 38                     | <b>Total Operation - Other Storage Expenses</b>       |           |           |          |
| 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                  |           |           |          |
| 49                     | <b>Total Maintenance - Other Storage Exp.</b>         |           |           |          |
| 50                     | <b>TOTAL - Other Storage Expenses</b>                 |           |           |          |
| 51                     |   |           |           |          |
| 52                     | <b>TOTAL - STORAGE, TERMINALING &amp; PROC.</b>       |           |           |          |

## MONTANA OPERATION &amp; MAINTENANCE EXPENSES

Year: 2014

| Account Number & Title |  | Last Year | This Year | % Change |
|------------------------|--|-----------|-----------|----------|
| 1                      | <b>Transmission Expenses</b>                     |           |           |          |
| 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   |           |           |          |
| 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                     | <b>Total Operation - Transmission</b>            |           |           |          |
| 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.  |           |           |          |
| 21                     | 866 Maintenance of Communication Equipment       |           |           |          |
| 22                     | 867 Maintenance of Other Equipment               |           |           |          |
| 23                     | <b>Total Maintenance - Transmission</b>          |           |           |          |
| 24                     | <b>TOTAL Transmission Expenses</b>               |           |           |          |
| 25                     | <b>Distribution Expenses</b>                     |           |           |          |
| 26                     | Operation  |           |           |          |
| 27                     | 870 Operation Supervision & Engineering          | 4,502     | 1,427     | -68%     |
| 28                     | 871 Distribution Load Dispatching                |           |           |          |
| 29                     | 872 Compressor Station Labor and Expenses        |           |           |          |
| 30                     | 873 Compressor Station Fuel and Power            |           |           |          |
| 31                     | 874 Mains and Services Expenses                  | 62,385    | 72,334    | 16%      |
| 32                     | 875 Measuring & Reg. Station Exp.-General        | 24        |           | -100%    |
| 33                     | 876 Measuring & Reg. Station Exp.-Industrial     |           |           |          |
| 34                     | 877 Meas. & Reg. Station Exp.-City Gate Ck. Sta. |           |           |          |
| 35                     | 878 Meter & House Regulator Expenses             | 8,701     | 8,704     | 0%       |
| 36                     | 879 Customer Installations Expenses              | 2,079     | 2,490     | 20%      |
| 37                     | 880 Other Expenses                               | 13,010    | 15,027    | 16%      |
| 38                     | 881 Rents  |           |           |          |
| 39                     | <b>Total Operation - Distribution</b>            | 90,701    | 99,982    | 10%      |
| 40                     | Maintenance                                      |           |           |          |
| 41                     | 885 Maintenance Supervision & Engineering        |           |           |          |
| 42                     | 886 Maintenance of Structures & Improvements     |           |           |          |
| 43                     | 887 Maintenance of Mains                         | 10,346    | 6,207     | -40%     |
| 44                     | 888 Maint. of Compressor Station Equipment       |           |           |          |
| 45                     | 889 Maint. of Meas. & Reg. Station Exp.-General  |           |           |          |
| 46                     | 890 Maint. of Meas. & Reg. Sta. Exp.-Industrial  |           |           |          |
| 47                     | 891 Maint. of Meas. & Reg. Sta. Equip.-City Gate |           |           |          |
| 48                     | 892 Maintenance of Services                      |           |           |          |
| 49                     | 893 Maintenance of Meters & House Regulators     |           |           |          |
| 50                     | 894 Maintenance of Other Equipment               |           |           |          |
| 51                     | <b>Total Maintenance - Distribution</b>          | 10,346    | 6,207     | -40%     |
| 52                     | <b>TOTAL Distribution Expenses</b>               | 101,047   | 106,189   | 5%       |

## MONTANA OPERATION &amp; MAINTENANCE EXPENSES

Year: 2014

| Account Number & Title |  | Last Year      | This Year      | % Change   |
|------------------------|--|----------------|----------------|------------|
| 1                      |  |                |                |            |
| 2                      | <b>Customer Accounts Expenses</b>                    |                |                |            |
| 3                      | Operation  |                |                |            |
| 4                      | 901 Supervision                                      |                |                |            |
| 5                      | 902 Meter Reading Expenses                           | 20,459         | 17,938         | -12%       |
| 6                      | 903 Customer Records & Collection Expenses           | 87,218         | 87,655         | 1%         |
| 7                      | 904 Uncollectible Accounts Expenses                  | 4,800          | 1,600          | -67%       |
| 8                      | 905 Miscellaneous Customer Accounts Expenses         |                |                |            |
| 9                      |  |                |                |            |
| 10                     | <b>TOTAL Customer Accounts Expenses</b>              | <b>112,477</b> | <b>107,193</b> | <b>-5%</b> |
| 11                     |  |                |                |            |
| 12                     | <b>Customer Service &amp; Informational Expenses</b> |                |                |            |
| 13                     | Operation  |                |                |            |
| 14                     | 907 Supervision                                      |                |                |            |
| 15                     | 908 Customer Assistance Expenses                     |                |                |            |
| 16                     | 909 Informational & Instructional Advertising Exp.   |                |                |            |
| 17                     | 910 Miscellaneous Customer Service & Info. Exp.      |                |                |            |
| 18                     |  |                |                |            |
| 19                     | <b>TOTAL Customer Service &amp; Info. Expenses</b>   |                |                |            |
| 20                     |  |                |                |            |
| 21                     | <b>Sales Expenses</b>                                |                |                |            |
| 22                     | Operation  |                |                |            |
| 23                     | 911 Supervision                                      |                |                |            |
| 24                     | 912 Demonstrating & Selling Expenses                 |                |                |            |
| 25                     | 913 Advertising Expenses                             |                |                |            |
| 26                     | 916 Miscellaneous Sales Expenses                     |                |                |            |
| 27                     |  |                |                |            |
| 28                     | <b>TOTAL Sales Expenses</b>                          |                |                |            |
| 29                     |  |                |                |            |
| 30                     | <b>Administrative &amp; General Expenses</b>         |                |                |            |
| 31                     | Operation  |                |                |            |
| 32                     | 920 Administrative & General Salaries                | 14,383         | 16,057         | 12%        |
| 33                     | 921 Office Supplies & Expenses                       | 39,106         | 36,695         | -6%        |
| 34                     | 922 (Less) Administrative Expenses Transferred - Cr. | (2,057)        | (5,684)        | -176%      |
| 35                     | 923 Outside Services Employed                        |                |                |            |
| 36                     | 924 Property Insurance                               | 26,953         | 32,930         | 22%        |
| 37                     | 925 Injuries & Damages                               |                |                |            |
| 38                     | 926 Employee Pensions & Benefits                     | 44,238         | 41,102         | -7%        |
| 39                     | 927 Franchise Requirements                           |                |                |            |
| 40                     | 928 Regulatory Commission Expenses                   | 20,921         | 22,101         | 6%         |
| 41                     | 929 (Less) Duplicate Charges - Cr.                   |                |                |            |
| 42                     | 930.1 General Advertising Expenses                   |                |                |            |
| 43                     | 930.2 Miscellaneous General Expenses                 | 139,854        | 134,581        | -4%        |
| 44                     | 931 Rents  | 3,321          | 3,411          | 3%         |
| 45                     | 933 Transportation                                   |                |                |            |
| 46                     | <b>TOTAL Operation - Admin. &amp; General</b>        | <b>286,719</b> | <b>281,193</b> | <b>-2%</b> |
| 47                     | Maintenance  |                |                |            |
| 48                     | 935 Maintenance of General Plant                     | 14,373         | 11,893         | -17%       |
| 49                     |  |                |                |            |
| 50                     | <b>TOTAL Administrative &amp; General Expenses</b>   | <b>301,092</b> | <b>293,086</b> | <b>-3%</b> |
| 51                     | <b>TOTAL OPERATION &amp; MAINTENANCE EXP.</b>        | <b>587,811</b> | <b>574,279</b> | <b>-2%</b> |

SCHEDULE 10A

**CUT BANK GAS COMPANY**  
SCHEDULE TO ATTACH TO PSC REPORT  
DECI`

Year: 2014

LINE 276 Page 5 SCH 10 MISCELLANEOUS GENERAL EXPENSE

|                       | Last Year      | This Year      |
|-----------------------|----------------|----------------|
| Interest expense      | 24,358         | 9,859          |
| Miscellaneous expense | 115,496        | 124,722        |
| TOTAL                 | <u>139,854</u> | <u>134,581</u> |

**MONTANA TAXES OTHER THAN INCOME**

Year: 2014

|    | Description of Tax                      | Last Year     | This Year     | % Change      |
|----|---|---------------|---------------|---------------|
| 1  | Payroll Taxes                           | 16,970        | 18,767        | 10.59%        |
| 2  | Superfund                               |               |               |               |
| 3  | Secretary of State                      |               |               |               |
| 4  | Montana Consumer Counsel                | 2,019         | 2,224         | 10.15%        |
| 5  | Montana PSC                             | 7,022         | 7,006         | -0.23%        |
| 6  | Franchise Taxes                         |               |               |               |
| 7  | Property Taxes                          | 15,278        | 11,265        | -26.27%       |
| 8  | Tribal Taxes                            |               |               |               |
| 9  | Natural Gas Production Tax              | 2,179         | 3,114         | 42.91%        |
| 10 | Vehicle Licenses                        |               |               |               |
| 11 | Revenue & rate recovery                 |               |               |               |
| 12 |   |               |               |               |
| 13 |   |               |               |               |
| 14 |   |               |               |               |
| 15 |   |               |               |               |
| 16 |   |               |               |               |
| 17 |   |               |               |               |
| 18 |   |               |               |               |
| 19 |   |               |               |               |
| 20 |   |               |               |               |
| 21 |   |               |               |               |
| 22 |   |               |               |               |
| 23 |   |               |               |               |
| 24 |   |               |               |               |
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| 27 |   |               |               |               |
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| 29 |   |               |               |               |
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| 43 |   |               |               |               |
| 44 |   |               |               |               |
| 45 |   |               |               |               |
| 46 |   |               |               |               |
| 47 |   |               |               |               |
| 48 |   |               |               |               |
| 49 |   |               |               |               |
| 50 |   |               |               |               |
| 51 | <b>TOTAL MT Taxes other than Income</b> | <b>43,468</b> | <b>42,376</b> | <b>-2.51%</b> |



## PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES

Year: 2014

|    | Name of Recipient           | Nature of Service | Total Company | Montana | % Montana |
|----|-----------------------------|-------------------|---------------|---------|-----------|
| 1  | NONE                        |                   |               |         |           |
| 2  |                             |                   |               |         |           |
| 3  |                             |                   |               |         |           |
| 4  |                             |                   |               |         |           |
| 5  |                             |                   |               |         |           |
| 6  |                             |                   |               |         |           |
| 7  |                             |                   |               |         |           |
| 8  |                             |                   |               |         |           |
| 9  |                             |                   |               |         |           |
| 10 |                             |                   |               |         |           |
| 11 |                             |                   |               |         |           |
| 12 |                             |                   |               |         |           |
| 13 |                             |                   |               |         |           |
| 14 |                             |                   |               |         |           |
| 15 |                             |                   |               |         |           |
| 16 |                             |                   |               |         |           |
| 17 |                             |                   |               |         |           |
| 18 |                             |                   |               |         |           |
| 19 |                             |                   |               |         |           |
| 20 |                             |                   |               |         |           |
| 21 |                             |                   |               |         |           |
| 22 |                             |                   |               |         |           |
| 23 |                             |                   |               |         |           |
| 24 |                             |                   |               |         |           |
| 25 |                             |                   |               |         |           |
| 26 |                             |                   |               |         |           |
| 27 |                             |                   |               |         |           |
| 28 |                             |                   |               |         |           |
| 29 |                             |                   |               |         |           |
| 30 |                             |                   |               |         |           |
| 31 |                             |                   |               |         |           |
| 32 |                             |                   |               |         |           |
| 33 |                             |                   |               |         |           |
| 34 |                             |                   |               |         |           |
| 35 |                             |                   |               |         |           |
| 36 |                             |                   |               |         |           |
| 37 |                             |                   |               |         |           |
| 38 |                             |                   |               |         |           |
| 39 |                             |                   |               |         |           |
| 40 |                             |                   |               |         |           |
| 41 |                             |                   |               |         |           |
| 42 |                             |                   |               |         |           |
| 43 |                             |                   |               |         |           |
| 44 |                             |                   |               |         |           |
| 45 |                             |                   |               |         |           |
| 46 |                             |                   |               |         |           |
| 47 |                             |                   |               |         |           |
| 48 |                             |                   |               |         |           |
| 49 |                             |                   |               |         |           |
| 50 | TOTAL Payments for Services |                   |               |         |           |

POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS Year: 2014

|    | Description         | Total Company | Montana | % Montana |
|----|---------------------|---------------|---------|-----------|
| 1  | None                |               |         |           |
| 2  |                     |               |         |           |
| 3  |                     |               |         |           |
| 4  |                     |               |         |           |
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| 46 |                     |               |         |           |
| 47 |                     |               |         |           |
| 48 |                     |               |         |           |
| 49 |                     |               |         |           |
| 50 | TOTAL Contributions |               |         |           |

## Pension Costs

Year: 2014

|    |  |              |                                  |  |          |
|----|--|--------------|----------------------------------|--|----------|
| 1  | Plan Name  |              |                                  |  |          |
| 2  | Defined Benefit Plan? <u>No</u>                    |              | Defined Contribution <u>Yes</u>  |  |          |
| 3  | Actuarial Cost Method? <u>N/A</u>                  |              | IRS Code: <u>401(a),401(k)</u>   |  |          |
| 4  | Annual Contribution by Employer: <u>-0-</u>        |              | Is the Plan Over Funded? <u></u> |  |          |
| 5  |  |              |                                  |  |          |
|    | Item   | Current Year | Last Year                        |  | % Change |
| 6  | <b>Change in Benefit Obligation</b>                |              |                                  |  |          |
| 7  | Benefit obligation at beginning of year            |              |                                  |  |          |
| 8  | Service cost                                       |              |                                  |  |          |
| 9  | Interest Cost                                      |              |                                  |  |          |
| 10 | Plan participants' contributions                   |              |                                  |  |          |
| 11 | Amendments   |              |                                  |  |          |
| 12 | Actuarial Gain                                     |              |                                  |  |          |
| 13 | Acquisition  |              |                                  |  |          |
| 14 | Benefits paid                                      |              |                                  |  |          |
| 15 | Benefit obligation at end of year                  |              |                                  |  |          |
| 16 | <b>Change in Plan Assets</b>                       |              |                                  |  |          |
| 17 | Fair value of plan assets at beginning of year     |              |                                  |  |          |
| 18 | Actual return on plan assets                       |              |                                  |  |          |
| 19 | Acquisition  |              |                                  |  |          |
| 20 | Employer contribution                              |              |                                  |  |          |
| 21 | Plan participants' contributions                   |              |                                  |  |          |
| 22 | Benefits paid                                      |              |                                  |  |          |
| 23 | Fair value of plan assets at end of year           |              |                                  |  |          |
| 24 | <b>Funded Status</b>                               |              |                                  |  |          |
| 25 | Unrecognized net actuarial loss                    |              |                                  |  |          |
| 26 | Unrecognized prior service cost                    |              |                                  |  |          |
| 27 | Prepaid (accrued) benefit cost                     |              |                                  |  |          |
| 28 |  |              |                                  |  |          |
| 29 | <b>Weighted-average Assumptions as of Year End</b> |              |                                  |  |          |
| 30 | Discount rate                                      |              |                                  |  |          |
| 31 | Expected return on plan assets                     |              |                                  |  |          |
| 32 | Rate of compensation increase                      |              |                                  |  |          |
| 33 |  |              |                                  |  |          |
| 34 | <b>Components of Net Periodic Benefit Costs</b>    |              |                                  |  |          |
| 35 | Service cost                                       |              |                                  |  |          |
| 36 | Interest cost                                      |              |                                  |  |          |
| 37 | Expected return on plan assets                     |              |                                  |  |          |
| 38 | Amortization of prior service cost                 |              |                                  |  |          |
| 39 | Recognized net actuarial loss                      |              |                                  |  |          |
| 40 | Net periodic benefit cost                          |              |                                  |  |          |
| 41 |  |              |                                  |  |          |
| 42 | <b>Montana Intrastate Costs:</b>                   |              |                                  |  |          |
| 43 | Pension Costs                                      |              |                                  |  |          |
| 44 | Pension Costs Capitalized                          |              |                                  |  |          |
| 45 | Accumulated Pension Asset (Liability) at Year End  |              |                                  |  |          |
| 46 | <b>Number of Company Employees:</b>                |              |                                  |  |          |
| 47 | Covered by the Plan                                | 6            | 5                                |  | -16.67%  |
| 48 | Not Covered by the Plan                            |              |                                  |  |          |
| 49 | Active   | 6            | 5                                |  | -16.67%  |
| 50 | Retired  |              |                                  |  |          |
| 51 | Deferred Vested Terminated                         |              |                                  |  |          |

**Other Post Employment Benefits (OPEBS)**

| Item  | Current Year                      | Last Year |  | % Change |
|---|-----------------------------------|-----------|--|----------|
| <b>1 Regulatory Treatment:</b>  |                                   |           |  |          |
| <b>2 Commission authorized - most recent</b>  |                                   |           |  |          |
| <b>3 Docket number: _____</b>   |                                   |           |  |          |
| <b>4 Order number: _____</b>  |                                   |           |  |          |
| <b>5 Amount recovered through rates</b>   |                                   |           |  |          |
| <b>6 Weighted-average Assumptions as of Year End</b>                                    |                                   |           |  |          |
| <b>7 Discount rate</b>  | Cut Bank Gas Company has no other |           |  |          |
| <b>8 Expected return on plan assets</b>   | post employment benefits          |           |  |          |
| <b>9 Medical Cost Inflation Rate</b>  |                                   |           |  |          |
| <b>10 Actuarial Cost Method</b>   |                                   |           |  |          |
| <b>11 Rate of compensation increase</b>   |                                   |           |  |          |
| <b>12 List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:</b> |                                   |           |  |          |
| <b>13</b>   |                                   |           |  |          |
| <b>14</b>   |                                   |           |  |          |
| <b>15 Describe any Changes to the Benefit Plan:</b>                                     |                                   |           |  |          |
| <b>16</b>   |                                   |           |  |          |
| <b>17 TOTAL COMPANY</b>   |                                   |           |  |          |
| <b>18 Change in Benefit Obligation</b>  |                                   |           |  |          |
| <b>19 Benefit obligation at beginning of year</b>                                       |                                   |           |  |          |
| <b>20 Service cost</b>  |                                   |           |  |          |
| <b>21 Interest Cost</b>   |                                   |           |  |          |
| <b>22 Plan participants' contributions</b>  |                                   |           |  |          |
| <b>23 Amendments</b>  |                                   |           |  |          |
| <b>24 Actuarial Gain</b>  |                                   |           |  |          |
| <b>25 Acquisition</b>   |                                   |           |  |          |
| <b>26 Benefits paid</b>   |                                   |           |  |          |
| <b>27 Benefit obligation at end of year</b>   |                                   |           |  |          |
| <b>28 Change in Plan Assets</b>   |                                   |           |  |          |
| <b>29 Fair value of plan assets at beginning of year</b>                                |                                   |           |  |          |
| <b>30 Actual return on plan assets</b>  |                                   |           |  |          |
| <b>31 Acquisition</b>   |                                   |           |  |          |
| <b>32 Employer contribution</b>   |                                   |           |  |          |
| <b>33 Plan participants' contributions</b>  |                                   |           |  |          |
| <b>34 Benefits paid</b>   |                                   |           |  |          |
| <b>35 Fair value of plan assets at end of year</b>                                      |                                   |           |  |          |
| <b>36 Funded Status</b>   |                                   |           |  |          |
| <b>37 Unrecognized net actuarial loss</b>   |                                   |           |  |          |
| <b>38 Unrecognized prior service cost</b>   |                                   |           |  |          |
| <b>39 Prepaid (accrued) benefit cost</b>  |                                   |           |  |          |
| <b>40 Components of Net Periodic Benefit Costs</b>                                      |                                   |           |  |          |
| <b>41 Service cost</b>  |                                   |           |  |          |
| <b>42 Interest cost</b>   |                                   |           |  |          |
| <b>43 Expected return on plan assets</b>  |                                   |           |  |          |
| <b>44 Amortization of prior service cost</b>  |                                   |           |  |          |
| <b>45 Recognized net actuarial loss</b>   |                                   |           |  |          |
| <b>46 Net periodic benefit cost</b>   |                                   |           |  |          |
| <b>47 Accumulated Post Retirement Benefit Obligation</b>                                |                                   |           |  |          |
| <b>48 Amount Funded through VEBA</b>  |                                   |           |  |          |
| <b>49 Amount Funded through 401(h)</b>  |                                   |           |  |          |
| <b>50 Amount Funded through Other _____</b>   |                                   |           |  |          |
| <b>51 TOTAL</b>   |                                   |           |  |          |
| <b>52 Amount that was tax deductible - VEBA</b>   |                                   |           |  |          |
| <b>53 Amount that was tax deductible - 401(h)</b>                                       |                                   |           |  |          |
| <b>54 Amount that was tax deductible - Other _____</b>                                  |                                   |           |  |          |
| <b>55 TOTAL</b>   |                                   |           |  |          |

## Other Post Employment Benefits (OPEBS) Continued

| Item   | Current Year | Last Year |  | % Change |
|--|--------------|-----------|--|----------|
| <b>1 Number of Company Employees:</b>                    |              |           |  |          |
| 2 Covered by the Plan                                    |              |           |  |          |
| 3 Not Covered by the Plan                                |              |           |  |          |
| 4 Active   |              |           |  |          |
| 5 Retired  |              |           |  |          |
| 6 Spouses/Dependants covered by the Plan                 |              |           |  |          |
| <b>7 Montana</b>   |              |           |  |          |
| <b>8 Change in Benefit Obligation</b>                    |              |           |  |          |
| 9 Benefit obligation at beginning of year                |              |           |  |          |
| 10 Service cost  |              |           |  |          |
| 11 Interest Cost   |              |           |  |          |
| 12 Plan participants' contributions                      |              |           |  |          |
| 13 Amendments  |              |           |  |          |
| 14 Actuarial Gain  |              |           |  |          |
| 15 Acquisition   |              |           |  |          |
| 16 Benefits paid   |              |           |  |          |
| 17 Benefit obligation at end of year                     |              |           |  |          |
| <b>18 Change in Plan Assets</b>                          |              |           |  |          |
| 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              |              |           |  |          |
| <b>26 Funded Status</b>                                  |              |           |  |          |
| 27 Unrecognized net actuarial loss                       |              |           |  |          |
| 28 Unrecognized prior service cost                       |              |           |  |          |
| 29 Prepaid (accrued) benefit cost                        |              |           |  |          |
| <b>30 Components of Net Periodic Benefit Costs</b>       |              |           |  |          |
| 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                             |              |           |  |          |
| <b>37 Accumulated Post Retirement Benefit Obligation</b> |              |           |  |          |
| 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   |              |           |  |          |
| <b>46 Montana Intrastate Costs:</b>                      |              |           |  |          |
| 47 Pension Costs   |              |           |  |          |
| 48 Pension Costs Capitalized                             |              |           |  |          |
| 49 Accumulated Pension Asset (Liability) at Year End     |              |           |  |          |
| <b>50 Number of Montana Employees:</b>                   |              |           |  |          |
| 51 Covered by the Plan                                   | 6            | 5         |  | -16.67%  |
| 52 Not Covered by the Plan                               |              |           |  |          |
| 53 Active  | 6            | 5         |  | -16.67%  |
| 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        | Kevin J. Degenstein<br>President and<br>Chief Operating Officer | 100,961     |         | 7,869 | 108,830            | 261,317                      | -58.35%                       |
| 2        | Jed D. Henthorne<br>Vice President of<br>Administration         | 157,792     |         | 6,474 | 164,266            | 155,699                      | 5.50%                         |
| 3        | Nick Bohr<br>General Manager                                    | 135,720     |         | 3,200 | 138,920            | 106,085                      | 30.95%                        |
| 4        | Mark S. Coryell<br>Serviceman                                   | 66,789      |         |       | 66,789             | 63,554                       | 5.09%                         |
| 5        | S. Jane Lindberg<br>Bookkeeper                                  | 59,413      |         |       | 59,413             | 56,768                       | 4.66%                         |
| 6        | Matt Embody<br>Serviceman                                       | 48,217      |         |       | 48,217             | 42,670                       | 13.00%                        |
| 7        | Lori L. Milbrandt<br>Secretary/Receptionist                     | 39,454      |         |       | 39,454             | 38,016                       | 3.78%                         |
| 8        | Tim Curtis<br>Serviceman  | 31,632      |         |       | 31,632             | 25,806                       | 22.58%                        |
| 9        | Kelly Barnes<br>Serviceman                                      | 15,125      |         |       | 15,125             |                              |                               |
| 10       | Tyler Embody<br>Serviceman                                      | 5,093       |         |       | 5,093              |                              |                               |

## COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

| Line No. | Name/Title                               | Base Salary | Bonuses | Other   | Total Compensation | Total Compensation Last Year | % Increase Total Compensation |
|----------|--|-------------|---------|---------|--------------------|------------------------------|-------------------------------|
| 1        | Greg Osborne<br>President & CEO          | 250,577     |         | 118,171 | 368,748            | 175,726                      | 110%                          |
| 2        | James Sprague<br>Vice President & CFO    | 195,154     | 50,000  | 11,382  | 256,536            |                              |                               |
| 3        | Beck Howell<br>Corporate Secretary       | 186,500     |         | 28,835  | 215,335            | 249,311                      | -14%                          |
| 4        | Jed D. Henthorne<br>VP Administration    | 157,792     |         | 6,474   | 164,266            | 149,203                      | 10%                           |
| 5        | Kevin J. Degenstein<br>President and COO | 100,961     |         | 7,869   | 108,830            | 287,221                      | -62%                          |

## BALANCE SHEET

| Account Number & Title |  | Last Year        | This Year        | 12 month % Change |
|------------------------|--|------------------|------------------|-------------------|
| 1                      | <b>Assets and Other Debits</b>                       |                  |                  |                   |
| 2                      | Utility Plant  |                  |                  |                   |
| 3                      | 101 Gas Plant in Service                             | 1,246,817        | 1,566,902        | 25.67%            |
| 4                      | 101.1 Property Under Capital Leases                  |                  |                  |                   |
| 5                      | 102 Gas Plant Purchased or Sold                      |                  |                  |                   |
| 6                      | 104 Gas Plant Leased to Others                       |                  |                  |                   |
| 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              |                  |                  |                   |
| 11                     | 108 (Less) Accumulated Depreciation                  | (672,651)        | (707,487)        | -5.18%            |
| 12                     | 111 (Less) Accumulated Amortization & Depletion      |                  |                  |                   |
| 13                     | 114 Gas Plant Acquisition Adjustments                | 1,056,771        | 1,056,771        |                   |
| 14                     | 115 (Less) Accum. Amort. Gas Plant Acq. Adj.         |                  |                  |                   |
| 15                     | 116 Other Gas Plant Adjustments                      |                  |                  |                   |
| 16                     | 117 Gas Stored Underground - Noncurrent              |                  |                  |                   |
| 17                     | 118 Other Utility Plant                              |                  |                  |                   |
| 18                     | 119 Accum. Depr. and Amort. - Other Util. Plant      |                  |                  |                   |
| 19                     | <b>TOTAL Utility Plant</b>                           | <b>1,630,937</b> | <b>1,916,186</b> | <b>17.49%</b>     |
| 20                     | <b>Other Property &amp; Investments</b>              |                  |                  |                   |
| 21                     | 121 Nonutility Property                              |                  |                  |                   |
| 22                     | 122 (Less) Accum. Depr. & Amort. of Nonutil. Prop.   |                  |                  |                   |
| 23                     | 123 Investments in Associated Companies              |                  |                  |                   |
| 24                     | 123.1 Investments in Subsidiary Companies            |                  |                  |                   |
| 25                     | 124 Other Investments                                | 2,882            | 2,880            | -0.07%            |
| 26                     | 125 Sinking Funds                                    |                  |                  |                   |
| 27                     | <b>TOTAL Other Property &amp; Investments</b>        | <b>2,882</b>     | <b>2,880</b>     | <b>-0.07%</b>     |
| 28                     | <b>Current &amp; Accrued Assets</b>                  |                  |                  |                   |
| 29                     | 131 Cash   | 270,917          | 64,055           | -76.36%           |
| 30                     | 132-134 Special Deposits                             |                  |                  |                   |
| 31                     | 135 Working Funds                                    |                  |                  |                   |
| 32                     | 136 Temporary Cash Investments                       |                  |                  |                   |
| 33                     | 141 Notes Receivable                                 |                  |                  |                   |
| 34                     | 142 Customer Accounts Receivable                     | 297,694          | 277,650          | -6.73%            |
| 35                     | 143 Other Accounts Receivable                        | 2,487            | 1,457            | -41.42%           |
| 36                     | 144 (Less) Accum. Provision for Uncollectible Accts. | (17,215)         | (16,518)         | 4.05%             |
| 37                     | 145 Notes Receivable - Associated Companies          |                  |                  |                   |
| 38                     | 146 Accounts Receivable - Associated Companies       | (104,421)        | (41,815)         | 59.96%            |
| 39                     | 151 Fuel Stock                                       |                  |                  |                   |
| 40                     | 152 Fuel Stock Expenses Undistributed                |                  |                  |                   |
| 41                     | 153 Residuals and Extracted Products                 |                  |                  |                   |
| 42                     | 154 Plant Materials and Operating Supplies           | 23,994           | 30,342           | 26.46%            |
| 43                     | 155 Merchandise                                      | 1,785            | 1,074            | -39.83%           |
| 44                     | 156 Other Material & Supplies                        |                  |                  |                   |
| 45                     | 163 Stores Expense Undistributed                     |                  |                  |                   |
| 46                     | 164.1 Gas Stored Underground - Current               |                  |                  |                   |
| 47                     | 165 Prepayments                                      |                  |                  |                   |
| 48                     | 166 Advances for Gas Explor., Devl. & Production     |                  |                  |                   |
| 49                     | 171 Interest & Dividends Receivable                  |                  |                  |                   |
| 50                     | 172 Rents Receivable                                 |                  |                  |                   |
| 51                     | 173 Accrued Utility Revenues                         |                  |                  |                   |
| 52                     | 174 Miscellaneous Current & Accrued Assets           | 33,395           | 88,708           | 165.63%           |
| 53                     | <b>TOTAL Current &amp; Accrued Assets</b>            | <b>508,636</b>   | <b>404,953</b>   | <b>-20.38%</b>    |



## BALANCE SHEET

| Account Number & Title |                                 |   | Last Year | This Year |          |
|------------------------|---------------------------------|---|-----------|-----------|----------|
| 1                      | Assets and Other Debits (cont.) |   |           |           |          |
| 2                      |                                 |   |           |           |          |
| 3                      | Deferred Debits                 |   |           |           |          |
| 4                      |                                 |   |           |           |          |
| 5                      | 181                             | Unamortized Debt Expense                        |           |           |          |
| 6                      | 182.1                           | Extraordinary Property Losses                   |           |           |          |
| 7                      | 182.2                           | Unrecovered Plant & Regulatory Study Costs      |           |           |          |
| 8                      | 183.1                           | Prelim. Nat. Gas Survey & Investigation Chrg.   |           |           |          |
| 9                      | 183.2                           | Other Prelim. Nat. Gas Survey & invtg. Chrgs.   |           |           |          |
| 10                     | 184                             | Clearing Accounts                               |           | 2,307     | 100.00%  |
| 11                     | 185                             | Temporary Facilities                            |           |           |          |
| 12                     | 186                             | Miscellaneous Deferred Debits                   |           |           |          |
| 13                     | 187                             | Deferred Losses from Disposition of Util. Plant |           |           |          |
| 14                     | 188                             | Research, Devel. & Demonstration Expend.        |           |           |          |
| 15                     | 189                             | Unamortized Loss on Reacquired Debt             |           |           |          |
| 16                     | 190                             | Accumulated Deferred Income Taxes               | 117,374   | 121,242   | 3.30%    |
| 17                     | 191                             | Unrecovered Purchased Gas Costs                 | (71,826)  | (224,148) | -212.07% |
| 18                     | 192.1                           | Unrecovered Incremental Gas Costs               |           |           |          |
| 19                     | 192.2                           | Unrecovered Incremental Surcharges              |           |           |          |
| 20                     | TOTAL Deferred Debits           |   | 45,548    | (100,599) | -320.86% |
| 21                     |                                 |   |           |           |          |
| 22                     | TOTAL ASSETS & OTHER DEBITS     |   | 2,188,003 | 2,223,420 | 1.62%    |
|                        |                                 |   |           |           |          |
|                        | Account Number & Title          |   | Last year | This Year |          |
| 23                     | Liabilities and Other Credits   |   |           |           |          |
| 24                     |                                 |   |           |           |          |
| 25                     | Proprietary Capital             |   |           |           |          |
| 26                     |                                 |   |           |           |          |
| 27                     | 201                             | Common Stock Issued                             | 90,310    | 90,310    |          |
| 28                     | 202                             | Common Stock Subscribed                         |           |           |          |
| 29                     | 204                             | Preferred Stock Issued                          |           |           |          |
| 30                     | 205                             | Preferred Stock Subscribed                      |           |           |          |
| 31                     | 207                             | Premium on Capital Stock                        |           |           |          |
| 32                     | 211                             | Miscellaneous Paid-In Capital                   | 509,710   | 509,710   |          |
| 33                     | 213 (Less)                      | Discount on Capital Stock                       |           |           |          |
| 34                     | 214 (Less)                      | Capital Stock Expense                           |           |           |          |
| 35                     | 215                             | Appropriated Retained Earnings                  |           |           |          |
| 36                     | 216                             | Unappropriated Retained Earnings                | 155,699   | 333,012   | 113.88%  |
| 37                     | 217 (Less)                      | Reacquired Capital Stock                        |           |           |          |
| 38                     | TOTAL Proprietary Capital       |   | 755,719   | 933,032   | 23.46%   |
| 39                     |                                 |   |           |           |          |
| 40                     | Long Term Debt                  |   |           |           |          |
| 41                     |                                 |   |           |           |          |
| 42                     | 221                             | Bonds   |           |           |          |
| 43                     | 222 (Less)                      | Reacquired Bonds                                |           |           |          |
| 44                     | 223                             | Advances from Associated Companies              |           |           |          |
| 45                     | 224                             | Other Long Term Debt                            |           |           |          |
| 46                     | 225                             | Unamortized Premium on Long Term Debt           |           |           |          |
| 47                     | 226 (Less)                      | Unamort. Discount on L-Term Debt-Dr.            |           |           |          |
| 48                     | TOTAL Long Term Debt            |   |           |           |          |

## BALANCE SHEET

| Account Number & Title                              | Last year | This Year |          |
|---|-----------|-----------|----------|
| <b>Total Liabilities and Other Credits (cont.)</b>  |           |           |          |
| <b>Other Noncurrent Liabilities</b>                 |           |           |          |
| 227 Obligations Under Cap. Leases - Noncurrent      |           |           |          |
| 228.1 Accumulated Provision for Property Insurance  |           |           |          |
| 228.2 Accumulated Provision for Injuries & Damages  |           |           |          |
| 228.3 Accumulated Provision for Pensions & Benefits |           |           |          |
| 228.4 Accumulated Misc. Operating Provisions        |           |           |          |
| 229 Accumulated Provision for Rate Refunds          |           |           |          |
| <b>TOTAL Other Noncurrent Liabilities</b>           |           |           |          |
| <b>Current &amp; Accrued Liabilities</b>            |           |           |          |
| 231 Notes Payable                                   |           |           |          |
| 232 Accounts Payable                                | 161,188   | 145,159   | -9.94%   |
| 233 Notes Payable to Associated Companies           | 704,161   | 533,453   | -24.24%  |
| 234 Accounts Payable to Associated Companies        | 199,532   | 246,120   | 23.35%   |
| 235 Customer Deposits                               | 44,297    | 51,750    | 16.83%   |
| 236 Taxes Accrued                                   | 8,890     | 2,000     | -77.50%  |
| 237 Interest Accrued                                | 29,152    | 30,757    | 5.51%    |
| 238 Dividends Declared                              |           |           |          |
| 239 Matured Long Term Debt                          |           |           |          |
| 240 Matured Interest                                |           |           |          |
| 241 Tax Collections Payable                         |           |           |          |
| 242 Miscellaneous Current & Accrued Liabilities     | 20,819    | 20,894    | 0.36%    |
| 243 Obligations Under Capital Leases - Current      |           |           |          |
| <b>TOTAL Current &amp; Accrued Liabilities</b>      | 1,168,039 | 1,030,133 | -11.81%  |
| <b>Deferred Credits</b>                             |           |           |          |
| 252 Customer Advances for Construction              |           | 317       | 100.00%  |
| 253 Other Deferred Credits                          | 28,540    | (296)     | -101.04% |
| 255 Accumulated Deferred Investment Tax Credits     |           |           |          |
| 256 Deferred Gains from Disposition Of Util. Plant  |           |           |          |
| 257 Unamortized Gain on Reacquired Debt             |           |           |          |
| 281-283 Accumulated Deferred Income Taxes           | 235,705   | 260,234   | 10.41%   |
| <b>TOTAL Deferred Credits</b>                       | 264,245   | 260,255   | -1.51%   |
| <b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>        | 2,188,003 | 2,223,420 | 1.62%    |

## NA PLANT IN SERVICE (ASSIGNED &amp; ALLOCATED)

Year: 2014

|    | Account Number & Title                        | Last Year      | This Year      | % Change |
|----|---|----------------|----------------|----------|
| 1  | <b>Intangible Plant</b>                       |                |                |          |
| 2  |   |                |                |          |
| 3  | 301 Organization                              | 11,354         | 11,354         |          |
| 4  | 302 Franchises & Consents                     |                |                |          |
| 5  | 303 Miscellaneous Intangible Plant            |                |                |          |
| 6  |   |                |                |          |
| 7  | <b>TOTAL Intangible Plant</b>                 | <b>11,354</b>  | <b>11,354</b>  |          |
| 8  |   |                |                |          |
| 9  | <b>Production Plant</b>                       |                |                |          |
| 10 |   |                |                |          |
| 11 | Production & Gathering Plant                  |                |                |          |
| 12 |   |                |                |          |
| 13 | 325.1 Producing Lands                         |                |                |          |
| 14 | 325.2 Producing Leaseholds                    | 12,878         | 12,878         |          |
| 15 | 325.3 Gas Rights                              |                |                |          |
| 16 | 325.4 Rights-of-Way                           |                |                |          |
| 17 | 325.5 Other Land & Land Rights                |                |                |          |
| 18 | 326 Gas Well Structures                       |                |                |          |
| 19 | 327 Field Compressor Station Structures       |                |                |          |
| 20 | 328 Field Meas. & Reg. Station Structures     |                |                |          |
| 21 | 329 Other Structures                          |                |                |          |
| 22 | 330 Producing Gas Wells-Well Construction     | 8,159          | 8,159          |          |
| 23 | 331 Producing Gas Wells-Well Equipment        | 101,835        | 101,835        |          |
| 24 | 332 Field Lines                               | 8,052          | 8,052          |          |
| 25 | 333 Field Compressor Station Equipment        | 1,801          | 1,801          |          |
| 26 | 334 Field Meas. & Reg. Station Equipment      | 2,476          | 2,476          |          |
| 27 | 335 Drilling & Cleaning Equipment             |                |                |          |
| 28 | 336 Purification Equipment                    |                |                |          |
| 29 | 337 Other Equipment                           |                |                |          |
| 30 | 338 Unsuccessful Exploration & Dev. Costs     |                |                |          |
| 31 |   |                |                |          |
| 32 | <b>Total Production &amp; Gathering Plant</b> | <b>135,201</b> | <b>135,201</b> |          |
| 33 |   |                |                |          |
| 34 | Products Extraction Plant                     |                |                |          |
| 35 |   |                |                |          |
| 36 | 340 Land & Land Rights                        |                |                |          |
| 37 | 341 Structures & Improvements                 |                |                |          |
| 38 | 342 Extraction & Refining Equipment           |                |                |          |
| 39 | 343 Pipe Lines                                |                |                |          |
| 40 | 344 Extracted Products Storage Equipment      |                |                |          |
| 41 | 345 Compressor Equipment                      |                |                |          |
| 42 | 346 Gas Measuring & Regulating Equipment      |                |                |          |
| 43 | 347 Other Equipment                           |                |                |          |
| 44 |   |                |                |          |
| 45 | <b>Total Products Extraction Plant</b>        |                |                |          |
| 46 |   |                |                |          |
| 47 | <b>TOTAL Production Plant</b>                 | <b>135,201</b> | <b>135,201</b> |          |

## NA PLANT IN SERVICE (ASSIGNED &amp; ALLOCATED)

Year: 2014

|    | Account Number & Title                                | Last Year | This Year | % Change |
|----|---|-----------|-----------|----------|
| 1  |   |           |           |          |
| 2  | <b>Natural Gas Storage and Processing Plant</b>       |           |           |          |
| 3  |   |           |           |          |
| 4  | Underground Storage Plant                             |           |           |          |
| 5  |   |           |           |          |
| 6  | 350.1 Land  |           |           |          |
| 7  | 350.2 Rights-of-Way                                   |           |           |          |
| 8  | 351 Structures & Improvements                         |           |           |          |
| 9  | 352 Wells   |           |           |          |
| 10 | 352.1 Storage Leaseholds & Rights                     |           |           |          |
| 11 | 352.2 Reservoirs                                      |           |           |          |
| 12 | 352.3 Non-Recoverable Natural Gas                     |           |           |          |
| 13 | 353 Lines   |           |           |          |
| 14 | 354 Compressor Station Equipment                      |           |           |          |
| 15 | 355 Measuring & Regulating Equipment                  |           |           |          |
| 16 | 356 Purification Equipment                            |           |           |          |
| 17 | 357 Other Equipment                                   |           |           |          |
| 18 |   |           |           |          |
| 19 | <b>Total Underground Storage Plant</b>                |           |           |          |
| 20 |   |           |           |          |
| 21 | Other Storage Plant                                   |           |           |          |
| 22 |   |           |           |          |
| 23 | 360 Land & Land Rights                                |           |           |          |
| 24 | 361 Structures & Improvements                         |           |           |          |
| 25 | 362 Gas Holders                                       |           |           |          |
| 26 | 363 Purification Equipment                            |           |           |          |
| 27 | 363.1 Liquification Equipment                         |           |           |          |
| 28 | 363.2 Vaporizing Equipment                            |           |           |          |
| 29 | 363.3 Compressor Equipment                            |           |           |          |
| 30 | 363.4 Measuring & Regulating Equipment                |           |           |          |
| 31 | 363.5 Other Equipment                                 |           |           |          |
| 32 |   |           |           |          |
| 33 | <b>Total Other Storage Plant</b>                      |           |           |          |
| 34 |   |           |           |          |
| 35 | <b>TOTAL Natural Gas Storage and Processing Plant</b> |           |           |          |
| 36 |   |           |           |          |
| 37 | <b>Transmission Plant</b>                             |           |           |          |
| 38 |   |           |           |          |
| 39 | 365.1 Land & Land Rights                              |           |           |          |
| 40 | 365.2 Rights-of-Way                                   |           |           |          |
| 41 | 366 Structures & Improvements                         |           |           |          |
| 42 | 367 Mains   | 792       | 792       |          |
| 43 | 368 Compressor Station Equipment                      |           |           |          |
| 44 | 369 Measuring & Reg. Station Equipment                |           |           |          |
| 45 | 370 Communication Equipment                           |           |           |          |
| 46 | 371 Other Equipment                                   |           |           |          |
| 47 |   |           |           |          |
| 48 | <b>TOTAL Transmission Plant</b>                       | 792       | 792       |          |

## NA PLANT IN SERVICE (ASSIGNED &amp; ALLOCATED)

Year: 2014

|    | Account Number & Title                        | This Year |           | % Change |
|----|---|-----------|-----------|----------|
| 1  |   |           |           |          |
| 2  | <b>Distribution Plant</b>                     |           |           |          |
| 3  |   |           |           |          |
| 4  | 374 Land & Land Rights                        |           |           |          |
| 5  | 375 Structures & Improvements                 |           |           |          |
| 6  | 376 Mains                                     | 650,349   | 791,165   | 21.65%   |
| 7  | 377 Compressor Station Equipment              |           |           |          |
| 8  | 378 Meas. & Reg. Station Equipment-General    |           |           |          |
| 9  | 379 Meas. & Reg. Station Equipment-City Gate  | 18,379    | 18,379    |          |
| 10 | 380 Services                                  | 7,102     | 14,291    | 101.23%  |
| 11 | 381 Meters                                    | 93,831    | 150,075   | 59.94%   |
| 12 | 382 Meter Installations                       | 18,558    | 18,558    |          |
| 13 | 383 House Regulators                          |           |           |          |
| 14 | 384 House Regulator Installations             |           |           |          |
| 15 | 385 Industrial Meas. & Reg. Station Equipment |           |           |          |
| 16 | 386 Other Prop. on Customers' Premises        |           |           |          |
| 17 | 387 Other Equipment                           |           |           |          |
| 18 |   |           |           |          |
| 19 | <b>TOTAL Distribution Plant</b>               | 788,219   | 992,468   | 25.91%   |
| 20 |   |           |           |          |
| 21 | <b>General Plant</b>                          |           |           |          |
| 22 |   |           |           |          |
| 23 | 389 Land & Land Rights                        | 10,000    | 10,000    |          |
| 24 | 390 Structures & Improvements                 | 90,245    | 90,245    |          |
| 25 | 391 Office Furniture & Equipment              | 41,332    | 43,549    | 5.36%    |
| 26 | 392 Transportation Equipment                  | 88,859    | 88,859    |          |
| 27 | 393 Stores Equipment                          |           |           |          |
| 28 | 394 Tools, Shop & Garage Equipment            | 29,868    | 30,662    | 2.66%    |
| 29 | 395 Laboratory Equipment                      |           |           |          |
| 30 | 396 Power Operated Equipment                  | 49,287    | 49,287    |          |
| 31 | 397 Communication Equipment                   | 899       | 899       |          |
| 32 | 398 Miscellaneous Equipment                   | 761       | 761       |          |
| 33 | 399 Other Tangible Property                   |           |           |          |
| 34 |   |           |           |          |
| 35 | <b>TOTAL General Plant</b>                    | 311,251   | 314,262   | 0.97%    |
| 36 |   |           |           |          |
| 37 | <b>TOTAL Gas Plant in Service</b>             | 1,246,817 | 1,454,077 | 16.62%   |

**MONTANA DEPRECIATION SUMMARY**

Year: 2014

|   | Functional Plant Classification | Plant Cost | Accumulated Depreciation |                | Current<br>Avg. Rate |
|---|---------------------------------|------------|--------------------------|----------------|----------------------|
|   |                                 |            | Last Year Bal.           | This Year Bal. |                      |
| 1 | Production & Gathering          |            | 91,375                   | 92,282         | 0.99%                |
| 2 | Products Extraction             |            |                          |                |                      |
| 3 | Underground Storage             |            |                          |                |                      |
| 4 | Other Storage                   |            |                          |                |                      |
| 5 | Transmission                    |            |                          |                |                      |
| 6 | Distribution                    |            | 301,243                  | 329,539        | 9.39%                |
| 7 | General                         |            | 280,033                  | 285,665        | 2.01%                |
| 8 | <b>TOTAL</b>                    |            | 672,651                  | 707,486        | 5.18%                |

**MONTANA MATERIALS & SUPPLIES (ASSIGNED & ALLOCATED)**

SCHEDULE 21

|    | Account                                   | Last Year Bal. | This Year Bal. | %Change |
|----|---|----------------|----------------|---------|
| 1  |   |                |                |         |
| 2  | 151 Fuel Stock                            |                |                |         |
| 3  | 152 Fuel Stock Expenses - Undistributed   |                |                |         |
| 4  | 153 Residuals & Extracted Products        |                |                |         |
| 5  | 154 Plant Materials & Operating Supplies: |                |                |         |
| 6  | Assigned to Construction (Estimated)      |                |                |         |
| 7  | Assigned to Operations & Maintenance      |                |                |         |
| 8  | Production Plant (Estimated)              |                |                |         |
| 9  | Transmission Plant (Estimated)            |                |                |         |
| 10 | Distribution Plant (Estimated)            | 23,994         | 30,342         | 26.46%  |
| 11 | Assigned to Other                         | 1,785          | 1,074          | -39.83% |
| 12 | 155 Merchandise                           |                |                |         |
| 13 | 156 Other Materials & Supplies            |                |                |         |
| 14 | 163 Stores Expense Undistributed          |                |                |         |
| 15 |   |                |                |         |
| 16 | <b>TOTAL Materials &amp; Supplies</b>     | 25,779         | 31,416         | -18%    |

**MONTANA REGULATORY CAPITAL STRUCTURE & COSTS**

SCHEDULE 22

|    | Commission Accepted - Most Recent | % Cap. Str. | % Cost Rate | Weighted<br>Cost |
|----|-----------------------------------|-------------|-------------|------------------|
| 1  | Docket Number D2006.2.15          |             |             |                  |
| 2  | Order Number 6720c                |             |             |                  |
| 3  |                                   |             |             |                  |
| 4  | Common Equity 187,849             | 55.00%      | 10.27%      | 5.65%            |
| 5  | Preferred Stock                   |             |             |                  |
| 6  | Long Term Debt 153,695            | 45.00%      | 7.00%       | 3.15%            |
| 7  | Other                             |             |             |                  |
| 8  | <b>TOTAL</b> 341,544              | 100.00%     |             | 8.80%            |
| 9  |                                   |             |             |                  |
| 10 | Actual at Year End                |             |             |                  |
| 11 |                                   |             |             |                  |
| 12 | Common Equity 933,031             | 100.00%     |             |                  |
| 13 | Preferred Stock -                 |             |             |                  |
| 14 | Long Term Debt -                  |             |             |                  |
| 15 | Other                             |             |             |                  |
| 16 | <b>TOTAL</b> 933,031              | 100.00%     |             |                  |

## STATEMENT OF CASH FLOWS

Year: 2014

|    | Description   | Last Year       | This Year        | % Change        |
|----|---|-----------------|------------------|-----------------|
| 1  |   |                 |                  |                 |
| 2  | Increase/(decrease) in Cash & Cash Equivalents:             |                 |                  |                 |
| 3  |   |                 |                  |                 |
| 4  | <b>Cash Flows from Operating Activities:</b>                |                 |                  |                 |
| 5  | Net Income  | 81,071          | 177,313          | 118.71%         |
| 6  | Depreciation  | (2,015)         | 34,836           | 1828.83%        |
| 7  | Amortization  |                 |                  |                 |
| 8  | Deferred Income Taxes - Net                                 | 39,733          | 20,661           | -48.00%         |
| 9  | Regulatory Orders   |                 |                  |                 |
| 10 | Change in Operating Receivables - Net                       | (22,162)        | (42,229)         | -90.55%         |
| 11 | Change in Materials, Supplies & Inventories - Net           |                 | (5,637)          |                 |
| 12 | Change in Operating Payables & Accrued Liabilities - Net    |                 | 30,559           |                 |
| 13 | Allowance for Funds Used During Construction (AFUDC)        |                 |                  |                 |
| 14 | Change in Other Assets & Liabilities - Net                  | 80,651          | 68,428           | -15.16%         |
| 15 | Other Operating Activities (explained on attached page)     |                 |                  |                 |
| 16 | <b>Net Cash Provided by/(Used in) Operating Activities</b>  | <b>177,278</b>  | <b>283,931</b>   | <b>60.16%</b>   |
| 17 |   |                 |                  |                 |
| 18 | <b>Cash Inflows/Outflows From Investment Activities:</b>    |                 |                  |                 |
| 19 | Construction/Acquisition of Property, Plant and Equipment   |                 |                  |                 |
| 20 | (net of AFUDC & Capital Lease Related Acquisitions)         | (65,358)        | (320,085)        | -389.74%        |
| 21 | Acquisition of Other Noncurrent Assets                      |                 |                  |                 |
| 22 | Proceeds from Disposal of Noncurrent Assets                 |                 |                  |                 |
| 23 | Investments In and Advances to Affiliates                   |                 |                  |                 |
| 24 | Contributions and Advances from Affiliates                  |                 |                  |                 |
| 25 | Disposition of Investments in and Advances to Affiliates    |                 |                  |                 |
| 26 | Other Investing Activities (explained on attached page)     |                 |                  |                 |
| 27 | <b>Net Cash Provided by/(Used in) Investing Activities</b>  | <b>(65,358)</b> | <b>(320,085)</b> | <b>-389.74%</b> |
| 28 |   |                 |                  |                 |
| 29 | <b>Cash Flows from Financing Activities:</b>                |                 |                  |                 |
| 30 | Proceeds from Issuance of:                                  |                 |                  |                 |
| 31 | Long-Term Debt  | (70,717)        | (170,708)        | -141.40%        |
| 32 | Preferred Stock   |                 |                  |                 |
| 33 | Common Stock  |                 |                  |                 |
| 34 | Other:  |                 |                  |                 |
| 35 | Net Increase in Short-Term Debt                             |                 |                  |                 |
| 36 | Other:  |                 |                  |                 |
| 37 | Payment for Retirement of:                                  |                 |                  |                 |
| 38 | Long-Term Debt  |                 |                  |                 |
| 39 | Preferred Stock   |                 |                  |                 |
| 40 | Common Stock  |                 |                  |                 |
| 41 | Other:  |                 |                  |                 |
| 42 | Net Decrease in Short-Term Debt                             |                 |                  |                 |
| 43 | Dividends on Preferred Stock                                |                 |                  |                 |
| 44 | Dividends on Common Stock                                   |                 |                  |                 |
| 45 | Other Financing Activities (explained on attached page)     |                 |                  |                 |
| 46 | <b>Net Cash Provided by (Used in) Financing Activities</b>  | <b>(70,717)</b> | <b>(170,708)</b> | <b>-141.40%</b> |
| 47 |   |                 |                  |                 |
| 48 | <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b> | <b>41,203</b>   | <b>(206,862)</b> | <b>-602.06%</b> |
| 49 | <b>Cash and Cash Equivalents at Beginning of Year</b>       | <b>229,715</b>  | <b>270,917</b>   | <b>17.94%</b>   |
| 50 | <b>Cash and Cash Equivalents at End of Year</b>             | <b>270,917</b>  | <b>64,055</b>    | <b>-76.36%</b>  |

SCHEDULE 23a

**CUT BANK GAS CO.  
SCHEDULE TO ATTACH TO PSC REPORT**

**2014**

LINE 45 SCH 23 OTHER FINANCING ACTIVITIES

|                              | <u>LAST YEAR</u> | <u>THIS YEAR</u> | <u>% CHANGE</u> |
|------------------------------|------------------|------------------|-----------------|
| Payments on regulatory order | 48,176           | 29,377           | -64%            |
| TOTAL                        | 48,176           | 29,377           | -64%            |



Company Name: Cut Bank Gas Company

SCHEDULE 24

# LONG TERM DEBT

Year: 2014

|    | Description | Issue<br>Date<br>Mo./Yr. | Maturity<br>Date<br>Mo./Yr. | Principal<br>Amount | Net<br>Proceeds | Outstanding<br>Per Balance<br>Sheet | Yield to<br>Maturity | Annual<br>Net Cost<br>Inc. Prem/Disc. | Total<br>Cost % |
|----|-------------|--------------------------|-----------------------------|---------------------|-----------------|-------------------------------------|----------------------|---------------------------------------|-----------------|
| 1  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 2  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 3  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 4  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 5  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 6  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 7  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 8  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 9  |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 10 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 11 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 12 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 13 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 14 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 15 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 16 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 17 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 18 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 19 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 20 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 21 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 22 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 23 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 24 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 25 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 26 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 27 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 28 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 29 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 30 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 31 |             |                          |                             |                     |                 |                                     |                      |                                       |                 |
| 32 | TOTAL       |                          |                             |                     |                 |                                     |                      |                                       |                 |

## PREFERRED STOCK

Year: 2014

|    | Series         | Issue Date<br>Mo./Yr. | Shares<br>Issued | Par<br>Value | Call<br>Price | Net<br>Proceeds | Cost of<br>Money | Principal<br>Outstanding | Annual<br>Cost | Embed.<br>Cost % |
|----|----------------|-----------------------|------------------|--------------|---------------|-----------------|------------------|--------------------------|----------------|------------------|
| 1  | NOT APPLICABLE |                       |                  |              |               |                 |                  |                          |                |                  |
| 2  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 3  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 4  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 5  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 6  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 7  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 8  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 9  |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 10 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 11 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 12 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 13 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 14 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 15 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 16 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 17 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 18 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 19 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 20 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 21 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 22 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 23 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 24 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 25 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 26 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 27 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 28 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 29 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 30 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 31 |                |                       |                  |              |               |                 |                  |                          |                |                  |
| 32 | TOTAL          |                       |                  |              |               |                 |                  |                          |                |                  |

## COMMON STOCK

Year: 2014

|    |               | Avg. Number<br>of Shares<br>Outstanding | Book<br>Value<br>Per Share | Earnings<br>Per<br>Share  | Dividends<br>Per<br>Share | Retention<br>Ratio | Market<br>Price |     | Price/<br>Earnings<br>Ratio |
|----|---------------|---|----------------------------|---|---------------------------|--------------------|-----------------|-----|-----------------------------|
|    |               |   |                            |   |                           |                    | High            | Low |                             |
| 1  |               |   |                            |   |                           |                    |                 |     |                             |
| 2  |               |   |                            |   |                           |                    |                 |     |                             |
| 3  |               |   |                            |   |                           |                    |                 |     |                             |
| 4  | January       |   |                            | Information only available for the fiscal<br>year end December 2009 |                           |                    |                 |     |                             |
| 5  |               |   |                            |   |                           |                    |                 |     |                             |
| 6  | February      |   |                            |   |                           |                    |                 |     |                             |
| 7  |               |   |                            |   |                           |                    |                 |     |                             |
| 8  | March         |   |                            |   |                           |                    |                 |     |                             |
| 9  |               |   |                            |   |                           |                    |                 |     |                             |
| 10 | April         |   |                            |   |                           |                    |                 |     |                             |
| 11 |               |   |                            |   |                           |                    |                 |     |                             |
| 12 | May           |   |                            |   |                           |                    |                 |     |                             |
| 13 |               |   |                            |   |                           |                    |                 |     |                             |
| 14 | June          |   |                            |   |                           |                    |                 |     |                             |
| 15 |               |   |                            |   |                           |                    |                 |     |                             |
| 16 | July          |   |                            |   |                           |                    |                 |     |                             |
| 17 |               |   |                            |   |                           |                    |                 |     |                             |
| 18 | August        |   |                            |   |                           |                    |                 |     |                             |
| 19 |               |   |                            |   |                           |                    |                 |     |                             |
| 20 | September     |   |                            |   |                           |                    |                 |     |                             |
| 21 |               |   |                            |   |                           |                    |                 |     |                             |
| 22 | October       |   |                            |   |                           |                    |                 |     |                             |
| 23 |               |   |                            |   |                           |                    |                 |     |                             |
| 24 | November      |   |                            |   |                           |                    |                 |     |                             |
| 25 |               |   |                            |   |                           |                    |                 |     |                             |
| 26 | December      |   |                            |   |                           |                    |                 |     |                             |
| 27 |               |   |                            |   |                           |                    |                 |     |                             |
| 28 |               |   |                            |   |                           |                    |                 |     |                             |
| 29 |               |   |                            |   |                           |                    |                 |     |                             |
| 30 |               |   |                            |   |                           |                    |                 |     |                             |
| 31 |               |   |                            |   |                           |                    |                 |     |                             |
| 32 | TOTAL Year Er | 9031                                    | \$9.69                     | \$0.64  | -                         | N/A                | N/A             | N/A | N/A                         |

## MONTANA EARNED RATE OF RETURN

Year: 2014

|    | Description   | Last Year      | This Year      | % Change      |
|----|---|----------------|----------------|---------------|
| 1  | Rate Base   |                |                |               |
| 2  | 101 Plant in Service                                | 1,246,817      | 1,454,077      | 16.62%        |
| 3  | 108 (Less) Accumulated Depreciation                 | (672,651)      | (707,487)      | -5.18%        |
| 4  | <b>NET Plant in Service</b>                         | <b>574,166</b> | <b>746,590</b> | <b>30.03%</b> |
| 5  | Additions   |                |                |               |
| 6  |   |                |                |               |
| 7  | 154, 156 Materials & Supplies                       | 25,779         | 31,416         | 21.87%        |
| 8  | 165 Prepayments                                     |                |                |               |
| 9  | Other Additions (Schedule 27A)                      | 74,762         | 69,941         | -6.45%        |
| 10 | <b>TOTAL Additions</b>                              | <b>100,541</b> | <b>101,357</b> | <b>0.81%</b>  |
| 11 | Deductions  |                |                |               |
| 12 |   |                |                |               |
| 13 | 190 Accumulated Deferred Income Taxes               | 118,331        | 138,992        | 17.46%        |
| 14 | 252 Customer Advances for Construction              |                |                |               |
| 15 | 255 Accumulated Def. Investment Tax Credits         |                |                |               |
| 16 | Other Deductions                                    | 44,297         | 51,750         | 16.83%        |
| 17 | <b>TOTAL Deductions</b>                             | <b>162,628</b> | <b>190,742</b> | <b>17.29%</b> |
| 18 | <b>TOTAL Rate Base</b>                              | <b>512,079</b> | <b>657,205</b> | <b>28.34%</b> |
| 19 | Net Earnings  |                |                |               |
| 20 |   | 81,068         | 177,314        | 118.72%       |
| 21 |   |                |                |               |
| 22 | <b>Rate of Return on Average Rate Base</b>          | <b>15.831%</b> | <b>26.980%</b> | <b>70.42%</b> |
| 23 |   |                |                |               |
| 24 | <b>Rate of Return on Average Equity</b>             | <b>10.73%</b>  | <b>19.00%</b>  | <b>77.16%</b> |
| 25 | Major Normalizing Adjustments & Commission          |                |                |               |
| 26 | Ratemaking adjustments to Utility Operations        |                |                |               |
| 27 |   |                |                |               |
| 28 |   |                |                |               |
| 29 | Net Earnings from above                             |                | 177,314        |               |
| 30 | Correction to income tax expense                    |                | (62,828)       |               |
| 31 | Adjusted Net Earnings                               |                | 114,486        |               |
| 32 |   |                |                |               |
| 33 |   |                |                |               |
| 34 |   |                |                |               |
| 35 |   |                |                |               |
| 36 |   |                |                |               |
| 37 |   |                |                |               |
| 38 |   |                |                |               |
| 39 |   |                |                |               |
| 40 |   |                |                |               |
| 41 |   |                |                |               |
| 42 |   |                |                |               |
| 43 |   |                |                |               |
| 44 |   |                |                |               |
| 45 |   |                |                |               |
| 46 |   |                |                |               |
| 47 | <b>Adjusted Rate of Return on Average Rate Base</b> |                | <b>17.420%</b> |               |
| 48 |   |                |                |               |
| 49 | <b>Adjusted Rate of Return on Average Equity</b>    | <b>10.727%</b> | <b>12.270%</b> | <b>14.38%</b> |

SCHEDULE 27A

**CUT BANK GAS COMPANY  
SCHEDULE TO ATTACH TO PSC REPORT**

LINE 14 SCH 27 / PER COMMISSION ORDER #6311b

|                                      | <u>Last Year</u> | <u>This Year</u> |
|--------------------------------------|------------------|------------------|
| Operating expenses                   | \$ 1,567,234     | \$ 1,769,017     |
| Maintenance expenses                 | 64,733           | 28,780           |
| Taxes other than income              | 43,468           | 42,376           |
|                                      | <u>1,675,435</u> | <u>1,840,173</u> |
| Less:                                |                  |                  |
| Purchased Gas                        | 1,077,337        | 1,280,649        |
|                                      | <u>598,098</u>   | <u>559,524</u>   |
| Divided by                           | 8                | 8                |
| 1/8 Op. & Maint. For working capital | 74,762           | 69,941           |

## MONTANA COMPOSITE STATISTICS

Year: 2014

|    | Description  | Amount           |
|----|--|------------------|
| 1  |  |                  |
| 2  | Plant (Intrastate Only) (000 Omitted)  |                  |
| 3  |  |                  |
| 4  | 101 Plant in Service   | 1,454,077        |
| 5  | 107 Construction Work in Progress  |                  |
| 6  | 114 Plant Acquisition Adjustments  | 1,056,771        |
| 7  | 105 Plant Held for Future Use  |                  |
| 8  | 154, 156 Materials & Supplies  | 31,416           |
| 9  | (Less):  |                  |
| 10 | 108, 111 Depreciation & Amortization Reserves  | (707,487)        |
| 11 | 252 Contributions in Aid of Construction   |                  |
| 12 |  |                  |
| 13 | <b>NET BOOK COSTS</b>  | <b>1,834,777</b> |
| 14 |  |                  |
| 15 | Revenues & Expenses (000 Omitted)  |                  |
| 16 |  |                  |
| 17 | 400 Operating Revenues   | 2,057,910        |
| 18 |  |                  |
| 19 | 403 - 407 Depreciation & Amortization Expenses   | 33,850           |
| 20 | Federal & State Income Taxes   | 41,225           |
| 21 | Other Taxes  | 7,724            |
| 22 | Other Operating Expenses   | 1,797,797        |
| 23 | TOTAL Operating Expenses   | 1,880,596        |
| 24 |  |                  |
| 25 | Net Operating Income   | 177,314          |
| 26 |  |                  |
| 27 | 415 - 421.1 Other Income   |                  |
| 28 | 421.2 - 426.5 Other Deductions   |                  |
| 29 |  |                  |
| 30 | <b>NET INCOME</b>  | <b>177,314</b>   |
| 31 |  |                  |
| 32 | Customers (Intrastate Only)  |                  |
| 33 |  |                  |
| 34 | Year End Average:  |                  |
| 35 | Residential  | 1,256            |
| 36 | Commercial   | 256              |
| 37 | Industrial   |                  |
| 38 | Other  |                  |
| 39 |  |                  |
| 40 | <b>TOTAL NUMBER OF CUSTOMERS</b>   | <b>1,512</b>     |
| 41 |  |                  |
| 42 | Other Statistics (Intrastate Only)   |                  |
| 43 |  |                  |
| 44 | Average Annual Residential Use (Mcf or Dkt) mcf  | 97.8             |
| 45 | Average Annual Residential Cost per (Mcf or Dkt) (\$) *                                      | \$10.12          |
| 46 | * Avg annual cost = [(cost per Mcf or Dkt x annual use) +<br>(mo. svc chrg x 12)]/annual use | 1,017            |
| 47 | Average Residential Monthly Bill   | 83               |
| 48 | Gross Plant per Customer   | 962              |

Company Name: Cut Bank Gas Company

SCHEDULE 29

**MONTANA CUSTOMER INFORMATION**

Year: 2014

|    | City/Town                      | Population<br>(Include Rural) | Residential<br>Customers | Commercial<br>Customers | Industrial<br>& Other<br>Customers | Total<br>Customers |
|----|--------------------------------|-------------------------------|--------------------------|-------------------------|------------------------------------|--------------------|
| 1  | Cut Bank                       | 4,000                         |                          |                         |                                    |                    |
| 2  |                                |                               |                          |                         |                                    |                    |
| 3  |                                |                               |                          |                         |                                    |                    |
| 4  |                                |                               |                          |                         |                                    |                    |
| 5  |                                |                               |                          |                         |                                    |                    |
| 6  |                                |                               |                          |                         |                                    |                    |
| 7  |                                |                               |                          |                         |                                    |                    |
| 8  |                                |                               |                          |                         |                                    |                    |
| 9  |                                |                               |                          |                         |                                    |                    |
| 10 |                                |                               |                          |                         |                                    |                    |
| 11 |                                |                               |                          |                         |                                    |                    |
| 12 |                                |                               |                          |                         |                                    |                    |
| 13 |                                |                               |                          |                         |                                    |                    |
| 14 |                                |                               |                          |                         |                                    |                    |
| 15 |                                |                               |                          |                         |                                    |                    |
| 16 |                                |                               |                          |                         |                                    |                    |
| 17 |                                |                               |                          |                         |                                    |                    |
| 18 |                                |                               |                          |                         |                                    |                    |
| 19 |                                |                               |                          |                         |                                    |                    |
| 20 |                                |                               |                          |                         |                                    |                    |
| 21 |                                |                               |                          |                         |                                    |                    |
| 22 |                                |                               |                          |                         |                                    |                    |
| 23 |                                |                               |                          |                         |                                    |                    |
| 24 |                                |                               |                          |                         |                                    |                    |
| 25 |                                |                               |                          |                         |                                    |                    |
| 26 |                                |                               |                          |                         |                                    |                    |
| 27 |                                |                               |                          |                         |                                    |                    |
| 28 |                                |                               |                          |                         |                                    |                    |
| 29 |                                |                               |                          |                         |                                    |                    |
| 30 |                                |                               |                          |                         |                                    |                    |
| 31 |                                |                               |                          |                         |                                    |                    |
| 32 | <b>TOTAL Montana Customers</b> | 4,000                         |                          |                         |                                    |                    |

Company Name: Cut Bank Gas Company

SCHEDULE 30

**MONTANA EMPLOYEE COUNTS**

Year: 2014

|    | Department                     | Year Beginning | Year End | Average |
|----|--------------------------------|----------------|----------|---------|
| 1  | Administration                 | 1              | 1        | 1       |
| 2  | Service                        | 3              | 4        | 4       |
| 3  | Office                         | 2              | 2        | 2       |
| 4  |                                |                |          |         |
| 5  |                                |                |          |         |
| 6  |                                |                |          |         |
| 7  |                                |                |          |         |
| 8  |                                |                |          |         |
| 9  |                                |                |          |         |
| 10 |                                |                |          |         |
| 11 |                                |                |          |         |
| 12 |                                |                |          |         |
| 13 |                                |                |          |         |
| 14 |                                |                |          |         |
| 15 |                                |                |          |         |
| 16 |                                |                |          |         |
| 17 |                                |                |          |         |
| 18 |                                |                |          |         |
| 19 |                                |                |          |         |
| 20 |                                |                |          |         |
| 21 |                                |                |          |         |
| 22 |                                |                |          |         |
| 23 |                                |                |          |         |
| 24 |                                |                |          |         |
| 25 |                                |                |          |         |
| 26 |                                |                |          |         |
| 27 |                                |                |          |         |
| 28 |                                |                |          |         |
| 29 |                                |                |          |         |
| 30 |                                |                |          |         |
| 31 |                                |                |          |         |
| 32 |                                |                |          |         |
| 33 |                                |                |          |         |
| 34 |                                |                |          |         |
| 35 |                                |                |          |         |
| 36 |                                |                |          |         |
| 37 |                                |                |          |         |
| 38 |                                |                |          |         |
| 39 |                                |                |          |         |
| 40 |                                |                |          |         |
| 41 |                                |                |          |         |
| 42 |                                |                |          |         |
| 43 |                                |                |          |         |
| 44 |                                |                |          |         |
| 45 |                                |                |          |         |
| 46 |                                |                |          |         |
| 47 |                                |                |          |         |
| 48 |                                |                |          |         |
| 49 |                                |                |          |         |
| 50 | <b>TOTAL Montana Employees</b> | 6              | 7        | 7       |



Company Name: Cut Bank Gas Company

SCHEDULE 31

**MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)**

Year: 2014

|    | Project Description                     | Total Company | Total Montana |
|----|---|---------------|---------------|
| 1  |   |               |               |
| 2  | Cut Bank Gas Company does not project a |               |               |
| 3  | construction budget                     |               |               |
| 4  |   |               |               |
| 5  |   |               |               |
| 6  |   |               |               |
| 7  |   |               |               |
| 8  |   |               |               |
| 9  |   |               |               |
| 10 |   |               |               |
| 11 |   |               |               |
| 12 |   |               |               |
| 13 |   |               |               |
| 14 |   |               |               |
| 15 |   |               |               |
| 16 |   |               |               |
| 17 |   |               |               |
| 18 |   |               |               |
| 19 |   |               |               |
| 20 |   |               |               |
| 21 |   |               |               |
| 22 |   |               |               |
| 23 |   |               |               |
| 24 |   |               |               |
| 25 |   |               |               |
| 26 |   |               |               |
| 27 |   |               |               |
| 28 |   |               |               |
| 29 |   |               |               |
| 30 |   |               |               |
| 31 |   |               |               |
| 32 |   |               |               |
| 33 |   |               |               |
| 34 |   |               |               |
| 35 |   |               |               |
| 36 |   |               |               |
| 37 |   |               |               |
| 38 |   |               |               |
| 39 |   |               |               |
| 40 |   |               |               |
| 41 |   |               |               |
| 42 |   |               |               |
| 43 |   |               |               |
| 44 |   |               |               |
| 45 |   |               |               |
| 46 |   |               |               |
| 47 |   |               |               |
| 48 |   |               |               |
| 49 |   |               |               |
| 50 | <b>TOTAL</b>                            |               |               |

## TRANSMISSION SYSTEM - TOTAL COMPANY &amp; MONTANA

Year: 2014

| Total Company |              |   |                                |                                     |
|---------------|--------------|---|--------------------------------|-------------------------------------|
|               |              | Peak<br>Day of Month                                      | Peak Day Volumes<br>Mcf or Dkt | Total Monthly Volumes<br>Mcf or Dkt |
| 1             | January      | Cut Bank Gas Company does not have a transmission system. |                                |                                     |
| 2             | February     |   |                                |                                     |
| 3             | March        |   |                                |                                     |
| 4             | April        |   |                                |                                     |
| 5             | May          |   |                                |                                     |
| 6             | June         |   |                                |                                     |
| 7             | July         |   |                                |                                     |
| 8             | August       |   |                                |                                     |
| 9             | September    |   |                                |                                     |
| 10            | October      |   |                                |                                     |
| 11            | November     |   |                                |                                     |
| 12            | December     |   |                                |                                     |
| 13            | <b>TOTAL</b> |   |                                |                                     |

| Montana |              |                      |                                |                                     |
|---------|--------------|----------------------|--------------------------------|-------------------------------------|
|         |              | Peak<br>Day of Month | Peak Day Volumes<br>Mcf or Dkt | Total Monthly Volumes<br>Mcf or Dkt |
| 14      | January      |                      |                                |                                     |
| 15      | February     |                      |                                |                                     |
| 16      | March        |                      |                                |                                     |
| 17      | April        |                      |                                |                                     |
| 18      | May          |                      |                                |                                     |
| 19      | June         |                      |                                |                                     |
| 20      | July         |                      |                                |                                     |
| 21      | August       |                      |                                |                                     |
| 22      | September    |                      |                                |                                     |
| 23      | October      |                      |                                |                                     |
| 24      | November     |                      |                                |                                     |
| 25      | December     |                      |                                |                                     |
| 26      | <b>TOTAL</b> |                      |                                |                                     |

## DISTRIBUTION SYSTEM - TOTAL COMPANY &amp; MONTANA

Year: 2014

| Total Company |              |   |                                |                                     |
|---------------|--------------|---|--------------------------------|-------------------------------------|
|               |              | Peak<br>Day of Month  | Peak Day Volumes<br>Mcf or Dkt | Total Monthly Volumes<br>Mcf or Dkt |
| 1             | January      | Cut Bank Gas Company does not have the equipment to measure for this. |                                |                                     |
| 2             | February     |   |                                |                                     |
| 3             | March        |   |                                |                                     |
| 4             | April        |   |                                |                                     |
| 5             | May          |   |                                |                                     |
| 6             | June         |   |                                |                                     |
| 7             | July         |   |                                |                                     |
| 8             | August       |   |                                |                                     |
| 9             | September    |   |                                |                                     |
| 10            | October      |   |                                |                                     |
| 11            | November     |   |                                |                                     |
| 12            | December     |   |                                |                                     |
| 13            | <b>TOTAL</b> |   |                                |                                     |

| Montana |              |                      |                                |                                     |
|---------|--------------|----------------------|--------------------------------|-------------------------------------|
|         |              | Peak<br>Day of Month | Peak Day Volumes<br>Mcf or Dkt | Total Monthly Volumes<br>Mcf or Dkt |
| 14      | January      |                      |                                |                                     |
| 15      | February     |                      |                                |                                     |
| 16      | March        |                      |                                |                                     |
| 17      | April        |                      |                                |                                     |
| 18      | May          |                      |                                |                                     |
| 19      | June         |                      |                                |                                     |
| 20      | July         |                      |                                |                                     |
| 21      | August       |                      |                                |                                     |
| 22      | September    |                      |                                |                                     |
| 23      | October      |                      |                                |                                     |
| 24      | November     |                      |                                |                                     |
| 25      | December     |                      |                                |                                     |
| 26      | <b>TOTAL</b> |                      |                                |                                     |

## STORAGE SYSTEM - TOTAL COMPANY &amp; MONTANA

Year: 2014

|    |              | Total Company  |            |                               |            |                                    |            |        |
|----|--------------|--|------------|-------------------------------|------------|------------------------------------|------------|--------|
|    |              | Peak Day of Month                                    |            | Peak Day Volumes (Mcf or Dkt) |            | Total Monthly Volumes (Mcf or Dkt) |            |        |
|    |              | Injection  | Withdrawal | Injection                     | Withdrawal | Injection                          | Withdrawal | Losses |
| 1  | January      | Cut Bank Gas Company does not have a storage system. |            |                               |            |                                    |            |        |
| 2  | February     |  |            |                               |            |                                    |            |        |
| 3  | March        |  |            |                               |            |                                    |            |        |
| 4  | April        |  |            |                               |            |                                    |            |        |
| 5  | May          |  |            |                               |            |                                    |            |        |
| 6  | June         |  |            |                               |            |                                    |            |        |
| 7  | July         |  |            |                               |            |                                    |            |        |
| 8  | August       |  |            |                               |            |                                    |            |        |
| 9  | September    |  |            |                               |            |                                    |            |        |
| 10 | October      |  |            |                               |            |                                    |            |        |
| 11 | November     |  |            |                               |            |                                    |            |        |
| 12 | December     |  |            |                               |            |                                    |            |        |
| 13 | <b>TOTAL</b> |  |            |                               |            |                                    |            |        |

|    |              | Montana           |            |                               |            |                                    |            |        |
|----|--------------|-------------------|------------|-------------------------------|------------|------------------------------------|------------|--------|
|    |              | Peak Day of Month |            | Peak Day Volumes (Mcf or Dkt) |            | Total Monthly Volumes (Mcf or Dkt) |            |        |
|    |              | Injection         | Withdrawal | Injection                     | Withdrawal | Injection                          | Withdrawal | Losses |
| 15 | January      |                   |            |                               |            |                                    |            |        |
| 16 | February     |                   |            |                               |            |                                    |            |        |
| 17 | March        |                   |            |                               |            |                                    |            |        |
| 18 | April        |                   |            |                               |            |                                    |            |        |
| 19 | May          |                   |            |                               |            |                                    |            |        |
| 20 | June         |                   |            |                               |            |                                    |            |        |
| 21 | July         |                   |            |                               |            |                                    |            |        |
| 22 | August       |                   |            |                               |            |                                    |            |        |
| 23 | September    |                   |            |                               |            |                                    |            |        |
| 24 | October      |                   |            |                               |            |                                    |            |        |
| 25 | November     |                   |            |                               |            |                                    |            |        |
| 25 | December     |                   |            |                               |            |                                    |            |        |
| 26 | <b>TOTAL</b> |                   |            |                               |            |                                    |            |        |

Company Name: Cut Bank Gas Company

SCHEDULE 33

**SOURCES OF GAS SUPPLY**

Year: 2014

|    | Name of Supplier                | Last Year<br>Volumes<br>Mcf or Dkt | This Year<br>Volumes<br>Mcf or Dkt |  | Last Year<br>Avg. Commodity<br>Cost |  | This Year<br>Avg. Commodity<br>Cost |
|----|---------------------------------|------------------------------------|------------------------------------|--|-------------------------------------|--|-------------------------------------|
| 1  | North Western Energy            | 172,180                            | 185,363                            |  | \$5.50545                           |  | \$6.21885                           |
| 2  | Cut Bank Gas Company - Royalty  | 8,752                              | 8,508                              |  | \$0.27971                           |  | \$0.36460                           |
| 3  |                                 |                                    |                                    |  |                                     |  |                                     |
| 4  |                                 |                                    |                                    |  |                                     |  |                                     |
| 5  |                                 |                                    |                                    |  |                                     |  |                                     |
| 6  |                                 |                                    |                                    |  |                                     |  |                                     |
| 7  |                                 |                                    |                                    |  |                                     |  |                                     |
| 8  |                                 |                                    |                                    |  |                                     |  |                                     |
| 9  |                                 |                                    |                                    |  |                                     |  |                                     |
| 10 |                                 |                                    |                                    |  |                                     |  |                                     |
| 11 |                                 |                                    |                                    |  |                                     |  |                                     |
| 12 |                                 |                                    |                                    |  |                                     |  |                                     |
| 13 |                                 |                                    |                                    |  |                                     |  |                                     |
| 14 |                                 |                                    |                                    |  |                                     |  |                                     |
| 15 |                                 |                                    |                                    |  |                                     |  |                                     |
| 16 |                                 |                                    |                                    |  |                                     |  |                                     |
| 17 |                                 |                                    |                                    |  |                                     |  |                                     |
| 18 |                                 |                                    |                                    |  |                                     |  |                                     |
| 19 |                                 |                                    |                                    |  |                                     |  |                                     |
| 20 |                                 |                                    |                                    |  |                                     |  |                                     |
| 21 |                                 |                                    |                                    |  |                                     |  |                                     |
| 22 |                                 |                                    |                                    |  |                                     |  |                                     |
| 23 |                                 |                                    |                                    |  |                                     |  |                                     |
| 24 |                                 |                                    |                                    |  |                                     |  |                                     |
| 25 |                                 |                                    |                                    |  |                                     |  |                                     |
| 26 |                                 |                                    |                                    |  |                                     |  |                                     |
| 27 |                                 |                                    |                                    |  |                                     |  |                                     |
| 28 |                                 |                                    |                                    |  |                                     |  |                                     |
| 29 |                                 |                                    |                                    |  |                                     |  |                                     |
| 30 |                                 |                                    |                                    |  |                                     |  |                                     |
| 31 |                                 |                                    |                                    |  |                                     |  |                                     |
| 32 |                                 |                                    |                                    |  |                                     |  |                                     |
| 33 | <b>Total Gas Supply Volumes</b> | 180,932                            | 193,871                            |  | \$5.2527                            |  | \$5.9619                            |

MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS

Year: 2014

|    | Program Description  | Current Year Expenditures | Last Year Expenditures | % Change | Planned Savings (Mcf or Dkt) | Achieved Savings (Mcf or Dkt) | Difference |
|----|--|---------------------------|------------------------|----------|------------------------------|-------------------------------|------------|
| 1  |  |                           |                        |          |                              |                               |            |
| 2  | Cut Bank Gas Company does not have conservation and demand side management programs. |                           |                        |          |                              |                               |            |
| 3  |  |                           |                        |          |                              |                               |            |
| 4  |  |                           |                        |          |                              |                               |            |
| 5  |  |                           |                        |          |                              |                               |            |
| 6  |  |                           |                        |          |                              |                               |            |
| 7  |  |                           |                        |          |                              |                               |            |
| 8  |  |                           |                        |          |                              |                               |            |
| 9  |  |                           |                        |          |                              |                               |            |
| 10 |  |                           |                        |          |                              |                               |            |
| 11 |  |                           |                        |          |                              |                               |            |
| 12 |  |                           |                        |          |                              |                               |            |
| 13 |  |                           |                        |          |                              |                               |            |
| 14 |  |                           |                        |          |                              |                               |            |
| 15 |  |                           |                        |          |                              |                               |            |
| 16 |  |                           |                        |          |                              |                               |            |
| 17 |  |                           |                        |          |                              |                               |            |
| 18 |  |                           |                        |          |                              |                               |            |
| 19 |  |                           |                        |          |                              |                               |            |
| 20 |  |                           |                        |          |                              |                               |            |
| 21 |  |                           |                        |          |                              |                               |            |
| 22 |  |                           |                        |          |                              |                               |            |
| 23 |  |                           |                        |          |                              |                               |            |
| 24 |  |                           |                        |          |                              |                               |            |
| 25 |  |                           |                        |          |                              |                               |            |
| 26 |  |                           |                        |          |                              |                               |            |
| 27 |  |                           |                        |          |                              |                               |            |
| 28 |  |                           |                        |          |                              |                               |            |
| 29 |  |                           |                        |          |                              |                               |            |
| 30 |  |                           |                        |          |                              |                               |            |
| 31 |  |                           |                        |          |                              |                               |            |
| 32 | TOTAL  |                           |                        |          |                              |                               |            |

## MONTANA CONSUMPTION AND REVENUES

Year: 2014

|    | Sales of Gas                 | Operating Revenues                               |               | MCF Sold        |               | Avg. No. of Customers |               |
|----|------------------------------|--|---------------|-----------------|---------------|-----------------------|---------------|
|    |                              | Current Year                                     | Previous Year | Current Year    | Previous Year | Current Year          | Previous Year |
| 1  | Residential                  | 1,243,947  | 1,103,555     | 122,890         | 119,459       | 1,256                 | 1,251         |
| 2  | Commercial - Small           | 808,110  | 688,543       | 90,107          | 85,440        | 256                   | 252           |
| 3  | Commercial - Large           |  |               |                 |               |                       |               |
| 4  | Industrial - Small           |  |               |                 |               |                       |               |
| 5  | Industrial - Large           |  |               |                 |               |                       |               |
| 6  | Interruptible Industrial     |  |               |                 |               |                       |               |
| 7  | Other Sales to Public        |  |               |                 |               |                       |               |
| 8  | Authorities                  |  |               |                 |               |                       |               |
| 9  | Sales to Other Utilities     |  |               |                 |               |                       |               |
| 10 | Interdepartmental            |  |               |                 |               |                       |               |
| 11 | <b>TOTAL</b>                 | \$2,052,057                                      | \$1,792,098   | 212,997         | 204,899       | 1,512                 | 1,503         |
| 12 |                              |  |               |                 |               |                       |               |
| 13 |                              |  |               |                 |               |                       |               |
| 15 |                              | Operating Revenues                               |               | BCF Transported |               | Avg. No. of Customers |               |
| 16 |                              |  |               |                 |               |                       |               |
| 17 |                              | Current Year                                     | Previous Year | Current Year    | Previous Year | Current Year          | Previous Year |
| 18 | <b>Transportation of Gas</b> |  |               |                 |               |                       |               |
| 19 | Utilities                    |  |               |                 |               |                       |               |
| 21 | Industrial                   | Cut Bank Gas Company has no Transmission Revenue |               |                 |               |                       |               |
| 22 | Other                        |  |               |                 |               |                       |               |
| 23 |                              |  |               |                 |               |                       |               |
| 24 | <b>TOTAL</b>                 |  |               |                 |               |                       |               |

**Natural Gas Universal System Benefits Programs**

|    | Program Description  | Actual Current<br>Year<br>Expenditures | Contracted or<br>Committed<br>Current Year<br>Expenditures | Total Current<br>Year<br>Expenditures | Expected<br>savings (MW<br>and MWh) | Most<br>recent<br>program<br>evaluation |
|----|--|--|--|---------------------------------------|-------------------------------------|---|
| 1  | Local Conservation   |  |  |                                       |                                     |   |
| 2  |  |  |  |                                       |                                     |   |
| 3  |  |  |  |                                       |                                     |   |
| 4  |  |  |  |                                       |                                     |   |
| 5  |  |  |  |                                       |                                     |   |
| 6  |  |  |  |                                       |                                     |   |
| 7  |  |  |  |                                       |                                     |   |
| 8  | Market Transformation  |  |  |                                       |                                     |   |
| 9  |  |  |  |                                       |                                     |   |
| 10 |  |  |  |                                       |                                     |   |
| 11 |  |  |  |                                       |                                     |   |
| 12 |  |  |  |                                       |                                     |   |
| 13 |  |  |  |                                       |                                     |   |
| 14 |  |  |  |                                       |                                     |   |
| 15 | Research & Development   |  |  |                                       |                                     |   |
| 16 |  |  |  |                                       |                                     |   |
| 17 |  |  |  |                                       |                                     |   |
| 18 |  |  |  |                                       |                                     |   |
| 19 |  |  |  |                                       |                                     |   |
| 20 |  |  |  |                                       |                                     |   |
| 21 |  |  |  |                                       |                                     |   |
| 22 | Low Income   |  |  |                                       |                                     |   |
| 23 |  |  |  |                                       |                                     |   |
| 24 | As per D98.8.179 Order 6104 Cut Bank Gas Company pays 1.12% of its gross revenues derived from |  |  |                                       |                                     |   |
| 25 | natural gas sales to Energy Share Montana to meet the Universal Systems Benefits Program       |  |  |                                       |                                     |   |
| 26 | requirements.  |  |  |                                       |                                     |   |
| 27 |  |  |  |                                       |                                     |   |
| 28 |  |  |  |                                       |                                     |   |
| 29 | Other  |  |  |                                       |                                     |   |
| 30 |  |  |  |                                       |                                     |   |
| 31 | 82 customers who were LIEAP eligible received \$175.00 each on their natural gas bill from the |  |  |                                       |                                     |   |
| 32 | Cut Bank Gas Company customer bill assistance program which is administered by Energy Share    |  |  |                                       |                                     |   |
| 33 | of Montana and Opportunities Inc.  |  |  |                                       |                                     |   |
| 34 |  |  |  |                                       |                                     |   |
| 35 |  |  |  |                                       |                                     |   |
| 36 |  |  |  |                                       |                                     |   |
| 37 |  |  |  |                                       |                                     |   |
| 38 |  |  |  |                                       |                                     |   |
| 39 |  |  |  |                                       |                                     |   |
| 40 |  |  |  |                                       |                                     |   |
| 41 |  |  |  |                                       |                                     |   |
| 42 | Total  |  |  |                                       |                                     |   |
| 43 | Number of customers that received low income rate discounts                                    |  |  |                                       |                                     | N/A                                     |
| 44 | Average monthly bill discount amount (\$/mo)   |  |  |                                       |                                     | N/A                                     |
| 45 | Average LIEAP-eligible household income  |  |  |                                       |                                     | N/A                                     |
| 46 | Number of customers that received weatherization assistance                                    |  |  |                                       |                                     | N/A                                     |
| 47 | Expected average annual bill savings from weatherization                                       |  |  |                                       |                                     | N/A                                     |
| 48 | Number of residential audits performed   |  |  |                                       |                                     | N/A                                     |



**Montana Conservation & Demand Side Management Programs**

|    | Program Description   | Actual Current<br>Year<br>Expenditures | Contracted or<br>Committed<br>Current Year<br>Expenditures | Total Current<br>Year<br>Expenditures | Expected<br>savings (MW<br>and MWh) | Most<br>recent<br>program<br>evaluation |
|----|---|--|--|---------------------------------------|-------------------------------------|---|
| 1  | Local Conservation  |  |  |                                       |                                     |   |
| 2  | Cut Bank Gas Company does not have Conservation and<br>Demand Side Management Programs. |  |  |                                       |                                     |   |
| 3  |   |  |  |                                       |                                     |   |
| 4  |   |  |  |                                       |                                     |   |
| 5  |   |  |  |                                       |                                     |   |
| 6  |   |  |  |                                       |                                     |   |
| 7  |   |  |  |                                       |                                     |   |
| 8  | Demand Response   |  |  |                                       |                                     |   |
| 9  |   |  |  |                                       |                                     |   |
| 10 |   |  |  |                                       |                                     |   |
| 11 |   |  |  |                                       |                                     |   |
| 12 |   |  |  |                                       |                                     |   |
| 13 |   |  |  |                                       |                                     |   |
| 14 |   |  |  |                                       |                                     |   |
| 15 | Market Transformation   |  |  |                                       |                                     |   |
| 16 |   |  |  |                                       |                                     |   |
| 17 |   |  |  |                                       |                                     |   |
| 18 |   |  |  |                                       |                                     |   |
| 19 |   |  |  |                                       |                                     |   |
| 20 |   |  |  |                                       |                                     |   |
| 21 |   |  |  |                                       |                                     |   |
| 22 | Research & Development  |  |  |                                       |                                     |   |
| 23 |   |  |  |                                       |                                     |   |
| 24 |   |  |  |                                       |                                     |   |
| 25 |   |  |  |                                       |                                     |   |
| 26 |   |  |  |                                       |                                     |   |
| 27 |   |  |  |                                       |                                     |   |
| 28 |   |  |  |                                       |                                     |   |
| 29 | Low Income  |  |  |                                       |                                     |   |
| 30 |   |  |  |                                       |                                     |   |
| 31 |   |  |  |                                       |                                     |   |
| 32 |   |  |  |                                       |                                     |   |
| 33 |   |  |  |                                       |                                     |   |
| 34 |   |  |  |                                       |                                     |   |
| 35 | Other   |  |  |                                       |                                     |   |
| 36 |   |  |  |                                       |                                     |   |
| 37 |   |  |  |                                       |                                     |   |
| 38 |   |  |  |                                       |                                     |   |
| 39 |   |  |  |                                       |                                     |   |
| 40 |   |  |  |                                       |                                     |   |
| 41 |   |  |  |                                       |                                     |   |
| 42 |   |  |  |                                       |                                     |   |
| 43 |   |  |  |                                       |                                     |   |
| 44 |   |  |  |                                       |                                     |   |
| 45 |   |  |  |                                       |                                     |   |
| 46 |   |  |  |                                       |                                     |   |
| 47 |   |  |  |                                       |                                     |   |
| 48 | Total   |  |  |                                       |                                     |   |