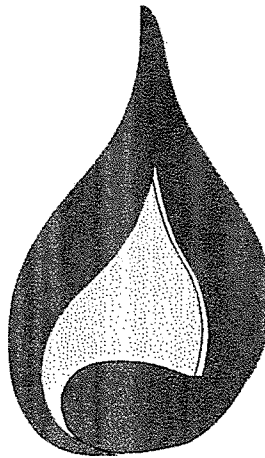


YEAR ENDING 2018

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

Gas Annual Report

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IDENTIFICATION

Year : 2018

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	11/19/1956
4.	Address to send Correspondence Concerning Report:	403 East Main St Cut Bank, MT 59427
5.	Person Responsible for This Report:	Corey Medved
5a.	Telephone Number:	(406) 791-7524
Control Over Respondent		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
	1a. Name and address of the controlling organization or person:	
	PHC Utilities, Inc 1375 East 9th Street, Suite 3100 Cleveland, OH 44114	
	1b. Means by which control was held: Stock	
	1c. Percent Ownership: 100%	

SCHEDULE 2

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Remuneration (b)
1	Jed Henthorne Great Falls, MT	\$0
2	Kevin Degenstein Great Falls, MT	\$0
3	Jerry Livengood Bangor, ME	\$0
4		
5		
6		
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9		
10		

OFFICERS

Year : 2018

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	President & General Manager	Total Company	Jed D. Henthorne
2			
3	Vice President	Total Company	Kevin J. Degenstein
4			
7	Secretary	Total Company	Cheryl Johnson
8			
9	Asst. Secretary	Total Company	George Behrens
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CORPORATE STRUCTURE

Year: 2018

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1	Cut Bank Gas Company - a subsidiary of PHC	Natural Gas Utility	(4,836)	100.00%
2	Utilities, Inc.			
3				
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49				
50	TOTAL		(4,836)	100.00%

CORPORATE ALLOCATIONS

Year: 2018

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	Hearthstone Utilities, Inc.	921	4 Factor Allocation	138,853	2.29%	5,924,596
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33						
34	TOTAL			138,853	2.29%	5,924,596

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY

Year: 2018

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	NONE					
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31						
32	TOTAL					

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2018

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	NONE					
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31						
32	TOTAL					

MONTANA UTILITY INCOME STATEMENT

Year: 2018

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	\$ 1,534,534	\$ 1,566,922	2%
2				
3	Operating Expenses			
4	401 Operation Expenses	1,372,655	1,305,551	-5%
5	402 Maintenance Expense	11,225	15,349	37%
6	403 Depreciation Expense	81,121	205,624	153%
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, Regulatory Debits		(2,085)	-
11	407.2 Amort. of Conversion Expense			
12	408.1 Taxes Other Than Income Taxes	41,741	44,509	7%
13	409.1 Income Taxes - Federal	(266)		100%
14	- Other	(3,602)		100%
15	410.1 Provision for Deferred Income Taxes	13,128	(16,508)	-226%
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	TOTAL Utility Operating Expenses	1,516,002	1,552,440	2%
21	NET UTILITY OPERATING INCOME	18,532	14,482	-22%

SCHEDULE 9

MONTANA REVENUES

Year: 2018

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Gas			
2	480 Residential	1,000,137	953,170	-5%
3	481 Commercial & Industrial - Small	534,397	613,262	15%
4	Commercial & Industrial - Large			
5	482 Other Sales to Public Authorities			
6	484 Interdepartmental Sales			
7	485 Intracompany Transfers			
8	TOTAL Sales to Ultimate Consumers	1,534,534	1,566,432	2%
9	483 Sales for Resale			
10	TOTAL Sales of Gas	1,534,534	1,566,432	2%
11	Other Operating Revenues			
12	487 Forfeited Discounts & Late Payment Revenues			
13	488 Miscellaneous Service Revenues		490	-
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			
21	TOTAL Other Operating Revenues		490	-
22	Total Gas Operating Revenues	1,534,534	1,566,922	2%
23				
24	496 (Less) Provision for Rate Refunds			
25				
26	TOTAL Oper. Revs. Net of Pro. for Refunds			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2018

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses			
2	Production & Gathering - Operation			
3	750 Operation Supervision & Engineering			
4	751 Production Maps & Records			
5	752 Gas Wells Expenses			
6	753 Field Lines Expenses			
7	754 Field Compressor Station Expenses			
8	755 Field Compressor Station Fuel & Power			
9	756 Field Measuring & Regulating Station Expense			
10	757 Purification Expenses			
11	758 Gas Well Royalties	701	876	25%
12	759 Other Expenses			
13	760 Rents			
14	Total Operation - Natural Gas Production	701	876	25%
15	Production & Gathering - Maintenance			
16	761 Maintenance Supervision & Engineering	322	637	98%
	762 Maintenance of Structures & Improvements			
18	763 Maintenance of Producing Gas Wells			
19	764 Maintenance of Field Lines			
20	765 Maintenance of Field Compressor Sta. Equip.			
21	766 Maintenance of Field Meas. & Reg. Sta. Equip.			
22	767 Maintenance of Purification Equipment			
23	768 Maintenance of Drilling & Cleaning Equip.			
24	769 Maintenance of Other Equipment			
25	Total Maintenance- Natural Gas Prod.	322	637	98%
26	TOTAL Natural Gas Production & Gathering	1,023	1,513	98%
27	Products Extraction - Operation			
28	770 Operation Supervision & Engineering			
29	771 Operation Labor			
30	772 Gas Shrinkage			
31	773 Fuel			
32	774 Power			
33	775 Materials			
34	776 Operation Supplies & Expenses			
35	777 Gas Processed by Others			
36	778 Royalties on Products Extracted			
37	779 Marketing Expenses			
38	780 Products Purchased for Resale			
39	781 Variation in Products Inventory			
40	782 (Less) Extracted Products Used by Utility - Cr.			
41	783 Rents			
42	Total Operation - Products Extraction			
43	Products Extraction - Maintenance			
44	784 Maintenance Supervision & Engineering			
45	785 Maintenance of Structures & Improvements			
46	786 Maintenance of Extraction & Refining Equip.			
47	787 Maintenance of Pipe Lines			
48	788 Maintenance of Extracted Prod. Storage Equip.			
49	789 Maintenance of Compressor Equipment			
50	790 Maintenance of Gas Meas. & Reg. Equip.			
51	791 Maintenance of Other Equipment			
52	Total Maintenance - Products Extraction			
53	TOTAL Products Extraction			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2018

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses - continued			
2				
3	Exploration & Development - Operation			
4	795 Delay Rentals			
5	796 Nonproductive Well Drilling			
6	797 Abandoned Leases			
7	798 Other Exploration			
8	TOTAL Exploration & Development			
9				
10	Other Gas Supply Expenses - Operation			
11	800 Natural Gas Wellhead Purchases			
12	800.1 Nat. Gas Wellhead Purch., Intracomp. Trans.			
13	801 Natural Gas Field Line Purchases			
14	802 Natural Gas Gasoline Plant Outlet Purchases			
15	803 Natural Gas Transmission Line Purchases			
16	804 Natural Gas City Gate Purchases	825,991	767,683	-7%
17	805 Other Gas Purchases			
18	805.1 Purchased Gas Cost Adjustments	(10,892)	24,621	326%
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	(3,488)	(3,851)	-10%
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	TOTAL Other Gas Supply Expenses	811,611	788,453	-3%
34				
35	TOTAL PRODUCTION EXPENSES	812,634	789,966	-3%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2018

Account Number & Title		Last Year	This Year	% Change
1	Storage, Terminaling & Processing Expenses			
2				
3	Underground Storage Expenses - Operation			
4	814 Operation Supervision & Engineering			
5	815 Maps & Records			
6	816 Wells Expenses			
7	817 Lines Expenses			
8	818 Compressor Station Expenses			
9	819 Compressor Station Fuel & Power			
10	820 Measuring & Reg. Station Expenses			
11	821 Purification Expenses			
12	822 Exploration & Development			
13	823 Gas Losses			
14	824 Other Expenses			
15	825 Storage Well Royalties			
16	826 Rents			
17	Total Operation - Underground Strg. Exp.			
18				
19	Underground Storage Expenses - Maintenance			
20	830 Maintenance Supervision & Engineering			
21	831 Maintenance of Structures & Improvements			
22	832 Maintenance of Reservoirs & Wells			
23	833 Maintenance of Lines			
24	834 Maintenance of Compressor Station Equip.			
25	835 Maintenance of Meas. & Reg. Sta. Equip.			
26	836 Maintenance of Purification Equipment			
27	837 Maintenance of Other Equipment			
28	Total Maintenance - Underground Storage			
29	TOTAL Underground Storage Expenses			
30				
31	Other Storage Expenses - Operation			
32	840 Operation Supervision & Engineering			
33	841 Operation Labor and Expenses			
34	842 Rents			
35	842.1 Fuel			
36	842.2 Power			
37	842.3 Gas Losses			
38	Total Operation - Other Storage Expenses			
39				
40	Other Storage Expenses - Maintenance			
41	843.1 Maintenance Supervision & Engineering			
42	843.2 Maintenance of Structures & Improvements			
43	843.3 Maintenance of Gas Holders			
44	843.4 Maintenance of Purification Equipment			
45	843.6 Maintenance of Vaporizing Equipment			
46	843.7 Maintenance of Compressor Equipment			
47	843.8 Maintenance of Measuring & Reg. Equipment			
48	843.9 Maintenance of Other Equipment			
49	Total Maintenance - Other Storage Exp.			
50	TOTAL - Other Storage Expenses			
51				
52	TOTAL - STORAGE, TERMINALING & PROC.			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2018

Account Number & Title		Last Year	This Year	% Change
1	Transmission Expenses			
2	Operation			
3	850 Operation Supervision & Engineering			
4	851 System Control & Load Dispatching			
5	852 Communications System Expenses			
6	853 Compressor Station Labor & Expenses			
7	854 Gas for Compressor Station Fuel			
8	855 Other Fuel & Power for Compressor Stations			
9	856 Mains Expenses			
10	857 Measuring & Regulating Station Expenses			
11	858 Transmission & Compression of Gas by Others			
12	859 Other Expenses			
13	860 Rents			
14	Total Operation - Transmission			
15	Maintenance			
16	861 Maintenance Supervision & Engineering			
17	862 Maintenance of Structures & Improvements			
18	863 Maintenance of Mains			
19	864 Maintenance of Compressor Station Equip.			
20	865 Maintenance of Measuring & Reg. Sta. Equip.			
21	866 Maintenance of Communication Equipment			
22	867 Maintenance of Other Equipment			
23	Total Maintenance - Transmission			
24	TOTAL Transmission Expenses			
25	Distribution Expenses			
26	Operation			
27	870 Operation Supervision & Engineering	10,948	3,344	-69%
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	94,459	90,906	-4%
32	875 Measuring & Reg. Station Exp.-General			
33	876 Measuring & Reg. Station Exp.-Industrial			
34	877 Meas. & Reg. Station Exp.-City Gate Ck. Sta.			
35	878 Meter & House Regulator Expenses	15,737	27,777	77%
36	879 Customer Installations Expenses	2,805	3,365	20%
37	880 Other Expenses	22,412	18,845	-16%
38	881 Rents			
39	Total Operation - Distribution	146,361	144,237	-1%
40	Maintenance			
41	885 Maintenance Supervision & Engineering			
42	886 Maintenance of Structures & Improvements			
43	887 Maintenance of Mains	1,655	2,277	38%
44	888 Maint. of Compressor Station Equipment			
45	889 Maint. of Meas. & Reg. Station Exp.-General	262	397	52%
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	1,326	67	-95%
50	894 Maintenance of Other Equipment	150		-100%
51	Total Maintenance - Distribution	3,393	2,741	-19%
52	TOTAL Distribution Expenses	149,754	146,978	-2%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2018

Account Number & Title		Last Year	This Year	% Change
1				
2	Customer Accounts Expenses			
3	Operation			
4	901 Supervision			
5	902 Meter Reading Expenses	22,591	18,052	-20%
6	903 Customer Records & Collection Expenses	82,021	84,198	3%
7	904 Uncollectible Accounts Expenses	(7,012)	3,012	143%
8	905 Miscellaneous Customer Accounts Expenses			
9				
10	TOTAL Customer Accounts Expenses	97,600	105,262	8%
11				
12	Customer Service & Informational Expenses			
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	TOTAL Customer Service & Info. Expenses			
20				
21	Sales Expenses			
22	Operation			
23	911 Supervision			
24	912 Demonstrating & Selling Expenses			
25	913 Advertising Expenses	35	35	-
26	916 Miscellaneous Sales Expenses			
27				
28	TOTAL Sales Expenses	35	35	
29				
30	Administrative & General Expenses			
31	Operation			
32	920 Administrative & General Salaries	7,376	10,185	38%
33	921 Office Supplies & Expenses	34,573	34,106	-1%
34	922 (Less) Administrative Expenses Transferred - Cr.	(4,928)	(7,714)	-57%
35	923 Outside Services Employed	9,848	11,757	19%
36	924 Property Insurance	5,713	4,689	-18%
37	925 Injuries & Damages	41,778	19,010	-54%
38	926 Employee Pensions & Benefits	44,009	37,285	-15%
39	927 Franchise Requirements			
40	928 Regulatory Commission Expenses		667	-
41	929 (Less) Duplicate Charges - Cr.			
42	930.1 General Advertising Expenses			
43	930.2 Miscellaneous General Expenses	20		-100%
44	931 Rents	27,793	17,850	-36%
45	933 Overheads	150,165	138,853	-8%
46	TOTAL Operation - Admin. & General	316,347	266,688	-16%
47	Maintenance			
48	935 Maintenance of General Plant	7,510	11,971	59%
49				
50	TOTAL Administrative & General Expenses	7,510	11,971	59%
51	TOTAL OPERATION & MAINTENANCE EXP.	1,383,880	1,320,900	-5%

** Prior period amounts have been reclassified to reflect current year presentations

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MONTANA TAXES OTHER THAN INCOME

Year: 2018

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes	24,125	21,101	-12.53%
2	Property Taxes	17,566	23,408	33.26%
3	Nexus License	50	-	-100.00%
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43	TOTAL MT Taxes other than Income	41,741	44,509	6.63%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES Year: 2018

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1					
2	None				
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50	TOTAL Payments for Services				

POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS Year: 2018

	Description	Total Company	Montana	% Montana
1	NONE			
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50	TOTAL Contributions			

PENSION COSTS

Year: 2018

1	Plan Name				
2	Defined Benefit Plan? <u>No</u>	Defined Contributor	Yes		
3	Actuarial Cost Method? <u>N/A</u>	IRS Code: <u>401(k)</u>			
4	Annual Contribution by Employer: <u>10,711</u>	Is the Plan Over Funded? <u></u>			
5					
	Item	Current Year	Last Year		% Change
6	Change in Benefit Obligation				
7	Benefit obligation at beginning of year				
8	Service cost				
9	Interest Cost				
10	Plan participants' contributions				
11	Amendments				
12	Actuarial Gain				
13	Acquisition				
14	Benefits paid				
15	Benefit obligation at end of year				
16	Change in Plan Assets				
17	Fair value of plan assets at beginning of year				
18	Actual return on plan assets				
19	Acquisition				
20	Employer contribution				
21	Plan participants' contributions				
22	Benefits paid				
23	Fair value of plan assets at end of year				
24	Funded Status				
25	Unrecognized net actuarial loss				
26	Unrecognized prior service cost				
27	Prepaid (accrued) benefit cost				
28					
29	Weighted-average Assumptions as of Year End				
30	Discount rate				
31	Expected return on plan assets				
32	Rate of compensation increase				
33					
34	Components of Net Periodic Benefit Costs				
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	Montana Intrastate Costs:				
43	Pension Costs				
44	Pension Costs Capitalized				
45	Accumulated Pension Asset (Liability) at Year End				
46	Number of Company Employees:				
47	Covered by the Plan	6	5		16.67%
48	Not Covered by the Plan				
49	Active	6	5		
50	Retired				
51	Deferred Vested Terminated				

OTHER POST EMPLOYMENT BENEFITS (OPEBS)

Year: 2018

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

OTHER POST EMPLOYMENT BENEFITS (OPEBS) Continued

Year: 2018

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

TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)

Year: 2018

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	Kevin J. Degenstein Vice President	295,560			295,560	285,000	3.71%
2	Jed D. Henthorne President & General Manager	170,960			170,960	170,000	0.56%
3	S. Jane Lindberg Bookkeeper	64,846			64,846	63,066	2.82%
4	Matt Embody Serviceman	61,559			61,559	55,120	11.68%
5	Tyler Embody Serviceman	59,725			59,725	53,830	10.95%
6	Ian Curtiss Serviceman	33,777			33,777	31,200	
7	Lorraine Duvall Bookkeeper	31,069			31,069	29,349	5.86%
8	Kelly Barnes Serviceman	30,339			30,339	33,259	-8.78%

COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

Year: 2018

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
	N/A						

BALANCE SHEET

Year: 2018

	Account Number & Title	Last Year	This Year	12 month % Change
1	Assets and Other Debits			
2	Utility Plant			
3	101 Gas Plant in Service	1,950,301	2,575,649	32.06%
4	101.1 Property Under Capital Leases	272,770	-	-100.00%
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	52,398	-	-100.00%
11	108 (Less) Accumulated Depreciation	(912,246)	(1,082,679)	-18.68%
12	111 (Less) Accumulated Amortization & Depletion			
13	114 Gas Plant Acquisition Adjustments			
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	TOTAL Utility Plant	1,363,223	1,492,970	9.52%
20	Other Property & Investments			
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	2,511	2,387	-4.94%
26	125 Sinking Funds			
27	TOTAL Other Property & Investments	2,511	2,387	-4.94%
28	Current & Accrued Assets			
29	131 Cash	33,616	28,936	-13.92%
30	132-134 Special Deposits			
31	135 Working Funds			
32	136 Temporary Cash Investments			
33	141 Notes Receivable			
34	142 Customer Accounts Receivable	251,960	218,394	-13.32%
35	143 Other Accounts Receivable	(297)	(103)	65.32%
36	144 (Less) Accum. Provision for Uncollectible Accts.	(3,929)	(4,593)	-16.90%
37	145 Notes Receivable - Associated Companies			
38	146 Accounts Receivable - Associated Companies			
39	151 Fuel Stock			
40	152 Fuel Stock Expenses Undistributed			
41	153 Residuals and Extracted Products			
42	154 Plant Materials and Operating Supplies	67,335	64,518	-4.18%
43	155 Merchandise			
44	156 Other Material & Supplies			
45	163 Stores Expense Undistributed			
46	164.1 Gas Stored Underground - Current			
47	165 Prepayments	42,618	15,249	-64.22%
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			
53	TOTAL Current & Accrued Assets	391,303	322,401	-17.61%

BALANCE SHEET

	Account Number & Title	Last Year	This Year	12 month % Change
1	Assets and Other Debits (cont.)			
2				
3	Deferred Debits			
4				
5	181 Unamortized Debt Expense	7,886	6,634	-15.88%
6	182.1 Extraordinary Property Losses			
7	182.2 Unrecovered Plant & Regulatory Study Costs			
7.5	182.3 Other Regulatory Assets (Rate Case Costs & EDIT)	108,167	129,040	19.30%
8	183.1 Prelim. Nat. Gas Survey & Investigation Chrg.			
9	183.2 Other Prelim. Nat. Gas Survey & Inv'tg. Chrgs.			
10	184 Clearing Accounts			
11	185 Temporary Facilities			
12	186 Miscellaneous Deferred Debits	1,059,516	1,056,771	-0.26%
13	187 Deferred Losses from Disposition of Util. Plant			
14	188 Research, Devel. & Demonstration Expend.			
15	189 Unamortized Loss on Reacquired Debt	1,339	982	-26.66%
16	190 Accumulated Deferred Income Taxes	138,167	150,584	8.99%
17	191 Unrecovered Purchased Gas Costs	54,459	(12,012)	-122.06%
18	192.1 Unrecovered Incremental Gas Costs			
19	192.2 Unrecovered Incremental Surcharges			
20	TOTAL Deferred Debits	1,369,534	1,331,999	-2.74%
21				
22	TOTAL ASSETS & OTHER DEBITS	3,126,571	3,149,757	0.74%
	Account Number & Title	Last Year	This Year	12 month % Change
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	1,009,710	1,009,710	-
33	213 (Less) Discount on Capital Stock			
34	214 (Less) Capital Stock Expense			
35	215 Appropriated Retained Earnings			
36	216 Unappropriated Retained Earnings	245,030	240,197	-1.97%
37	217 (Less) Reacquired Capital Stock			
38	TOTAL Proprietary Capital	1,345,050	1,340,217	-0.36%
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 (from Associated Companies)	550,000	550,000	-
46	225 Unamortized Premium on Long Term Debt			
47	226 (Less) Unamort. Discount on L-Term Debt-Dr.			
48	TOTAL Long Term Debt	550,000	550,000	

BALANCE SHEET

Year: 2018

	Account Number & Title	Last Year	This Year	12 month % Change
1				
2	Total Liabilities and Other Credits (cont.)			
3				
4	Other Noncurrent Liabilities			
5				
6	227 Obligations Under Cap. Leases - Noncurrent			
7	228.1 Accumulated Provision for Property Insurance			
8	228.2 Accumulated Provision for Injuries & Damages			
9	228.3 Accumulated Provision for Pensions & Benefits			
10	228.4 Accumulated Misc. Operating Provisions			
11	229 Accumulated Provision for Rate Refunds			
11.5	230 Asset Retirement Obligations	-	103,096	-
12	TOTAL Other Noncurrent Liabilities	-	103,096	-
13				
14	Current & Accrued Liabilities			
15				
16	231 Notes Payable			
17	232 Accounts Payable	126,964	162,298	27.83%
18	233 Notes Payable to Associated Companies (Line of Cred	245,812	330,000	34.25%
19	234 Accounts Payable to Associated Companies	376,518	297,544	-20.97%
20	235 Customer Deposits	20,865	20,626	-1.15%
21	236 Taxes Accrued	9,482	12,009	26.65%
22	237 Interest Accrued	5,027	4,696	-6.58%
23	238 Dividends Declared			
24	239 Matured Long Term Debt			
25	240 Matured Interest			
26	241 Tax Collections Payable			
27	242 Miscellaneous Current & Accrued Liabilities	71,045	63,782	-10.22%
28	243 Obligations Under Capital Leases - Current	32,429	-	-100.00%
29	TOTAL Current & Accrued Liabilities	888,142	890,955	0.32%
30				
31	Deferred Credits			
32				
33	252 Customer Advances for Construction			
34	253 Other Deferred Credits	73,254	-	-100.00%
	254 Other Regulator Liabilities	114,617	107,418	-6.28%
35	255 Accumulated Deferred Investment Tax Credits			
36	256 Deferred Gains from Disposition Of Util. Plant			
37	257 Unamortized Gain on Reacquired Debt			
38	281-283 Accumulated Deferred Income Taxes	155,508	158,071	1.65%
39	TOTAL Deferred Credits	343,379	265,489	-22.68%
40				
41	TOTAL LIABILITIES & OTHER CREDITS	3,126,571	3,149,757	0.74%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2018

	Account Number & Title	Last Year	This Year	% Change
1	Intangible Plant			
2				
3	301 Organization	11,354	11,354	
4	302 Franchises & Consents			
5	303 Miscellaneous Intangible Plant			
6				
7	TOTAL Intangible Plant	11,354	11,354	
8	Production Plant			
9				
10	Production & Gathering Plant			
11				
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	8,160	97,900	1099.75%
23	331 Producing Gas Wells-Well Equipment	101,835	101,835	
24	332 Field Lines	36,403	104,785	187.85%
25	333 Field Compressor Station Equipment	1,800	1,800	
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	Total Production & Gathering Plant	163,552	321,674	96.68%
33	Products Extraction Plant			
34				
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	Total Products Extraction Plant			
46				
47	TOTAL Production Plant	163,552	321,674	96.68%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2018

	Account Number & Title	Last Year	This Year	% Change
1				
2	Natural Gas Storage and Processing Plant			
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	Total Underground Storage Plant			
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	Total Other Storage Plant			
34				
35	TOTAL Natural Gas Storage and Processing Plant			
36				
37	Transmission Plant			
38				
39	365.1 Land & Land Rights			
40	365.2 Rights-of-Way			
41	366 Structures & Improvements			
42	367 Mains			
43	368 Compressor Station Equipment			
44	369 Measuring & Reg. Station Equipment			
45	370 Communication Equipment			
46	371 Other Equipment			
47				
48	TOTAL Transmission Plant			

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2018

	Account Number & Title	Last Year	This Year	% Change
1				
2	Distribution Plant			
3				
4	374 Land & Land Rights			
5	375 Structures & Improvements			
6	376 Mains	1,063,442	1,070,237	0.64%
7	377 Compressor Station Equipment			
8	378 Meas. & Reg. Station Equipment-General	18,379	18,379	
9	379 Meas. & Reg. Station Equipment-City Gate			
10	380 Services	124,459	166,290	33.61%
11	381 Meters	172,291	184,690	7.20%
12	382 Meter Installations	18,555	18,555	
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	TOTAL Distribution Plant	1,397,126	1,458,151	4.37%
20				
21	General Plant			
22				
23	389 Land & Land Rights	10,000	10,000	
24	390 Structures & Improvements	90,244	122,840	36.12%
25	391 Office Furniture & Equipment	361,098	364,871	1.04%
26	392 Transportation Equipment	95,705	113,873	18.98%
27	393 Stores Equipment			
28	394 Tools, Shop & Garage Equipment	43,044	52,390	21.71%
29	395 Laboratory Equipment			
30	396 Power Operated Equipment	49,287	118,836	141.11%
31	397 Communication Equipment	899	899	
32	398 Miscellaneous Equipment	761	761	
33	399 Other Tangible Property			
34				
35	TOTAL General Plant	651,038	784,470	20.50%
36				
37	TOTAL Gas Plant in Service	2,223,070	2,575,649	15.86%

MONTANA DEPRECIATION SUMMARY

Year: 2018

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1	Production & Gathering	321,674	95,444	187,425	28.59%
2	Products Extraction				
3	Underground Storage				
4	Other Storage				
5	Transmission				
6	Distribution	1,458,151	463,179	514,038	3.49%
7	General	719,704	353,623	371,287	2.45%
8	TOTAL	2,499,529	912,246	1,072,750	6.42%

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)	67,335	64,518	4%
11	Assigned to Other			
12	155 Merchandise			
13	156 Other Materials & Supplies			
14	163 Stores Expense Undistributed			
15				
16	TOTAL Materials & Supplies	67,335	64,518	

MONTANA REGULATORY CAPITAL STRUCTURE & COSTS

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number D2017.9.80			
2	Order Number 7575c			
3				
4	Common Equity 1,360,190	55.00%	9.20%	5.06%
5	Preferred Stock			
6	Long Term Debt 550,000	45.00%	5.30%	2.39%
7	Other			
8	TOTAL 1,910,190			7.45%
9				
10	Actual at Year End			
11				
12	Common Equity 1,340,217	70.90%	9.20%	6.52%
13	Preferred Stock -			
14	Long Term Debt 550,000	29.10%	4.31%	1.25%
15	Other			
16	TOTAL 1,890,217	100.00%		7.78%

STATEMENT OF CASH FLOWS

Year: 2018

	Description	Last Year	This Year	% Change
1				
2	Increase/(decrease) in Cash & Cash Equivalents:			
3				
4	Cash Flows from Operating Activities:			
5	Net Income	(15,139)	(4,836)	68.06%
6	Depreciation & Accretion	81,121	205,624	153.48%
7	Amortization of Debt Issue Costs	1,608	1,609	0.06%
8	Deferred Income Taxes - Net	(118,613)	(17,053)	85.62%
9	Regulatory Orders			
10	Change in Operating Receivables - Net	122,321	34,036	-72.17%
11	Change in Materials, Supplies & Inventories - Net	15,583	2,817	-81.92%
12	Change in Operating Payables & Accrued Liabilities - Net	215,257	(48,946)	-122.74%
13	Allowance for Funds Used During Construction (AFUDC)			
14	Change in Other Assets & Liabilities - Net	32,123	9,365	-70.85%
15	Other Operating Activities (Deferred Purchased Gas Cost)	(23,098)	66,474	387.79%
16	Net Cash Provided by/(Used in) Operating Activities	311,163	249,090	-19.95%
17				
18	Cash Inflows/Outflows From Investment Activities:			
19	Construction/Acquisition of Property, Plant and Equipment			
20	(net of AFUDC & Capital Lease Related Acquisitions)	(126,839)	(305,529)	-140.88%
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	Net Cash Provided by/(Used in) Investing Activities	(126,839)	(305,529)	-140.88%
28				
29	Cash Flows from Financing Activities:			
30	Proceeds from Issuance of:			
31	Long-Term Debt			
32	Preferred Stock			
33	Common Stock			
34	Other:			
35	Net Increase (Decrease) in Line of Credit	(125,000)	84,188	167.35%
36	Other:			
37	Payment for Retirement of:			
38	Capital Lease Obligations	(72,875)	(32,429)	55.50%
39	Preferred Stock			
40	Common Stock			
41	Other:			
42	Debt Issue Costs			
43	Dividends on Preferred Stock			
44	Dividends on Common Stock			
45	Other Financing Activities (Contribution from Parent Co.)			
46	Net Cash Provided by (Used in) Financing Activities	(197,875)	51,759	126.16%
47				
48	Net Increase/(Decrease) in Cash and Cash Equivalents	(13,551)	(4,680)	65.46%
49	Cash and Cash Equivalents at Beginning of Year	47,167	33,616	-28.73%
50	Cash and Cash Equivalents at End of Year	33,616	28,936	-13.92%

LONG TERM DEBT

Year: 2018

	Description	Issue Date Mo./Yr.	Maturity Date Mo./Yr.	Principal Amount	Net Proceeds	Outstanding Per Balance Sheet	Yield to Maturity	Annual Net Cost Inc. Prem/Disc.	Total Cost %
1	Note Payable to Hearthstone Utilities, Inc.	10/16	10/28	550,000	550,000	550,000	4.23%	23,721	4.31%
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
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19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32	TOTAL			550,000	550,000	550,000		23,721	4.31%

PREFERRED STOCK

Year: 2018

	Series	Issue Date Mo./Yr.	Shares Issued	Par Value	Call Price	Net Proceeds	Cost of Money	Principal Outstanding	Annual Cost	Embed. Cost %
1	NOT APPLICABLE									
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
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21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32	TOTAL									

COMMON STOCK

Year: 2018

		Avg. Number of Shares Outstanding	Book Value Per Share	Earnings Per Share	Dividends Per Share	Retention Ratio	Market Price		Price/ Earnings Ratio
							High	Low	
1									
2									
3									
4	January	9,031	\$ 10.00						
5									
6	February	9,031	\$ 10.00						
7									
8	March	9,031	\$ 10.00	6.76					
9									
10	April	9,031	\$ 10.00						
11									
12	May	9,031	\$ 10.00						
13									
14	June	9,031	\$ 10.00	(3.17)					
15									
16	July	9,031	\$ 10.00						
17									
18	August	9,031	\$ 10.00						
19									
20	September	9,031	\$ 10.00	(4.50)					
21									
22	October	9,031	\$ 10.00						
23									
24	November	9,031	\$ 10.00						
25									
26	December	9,031	\$ 10.00	0.38					
27									
28									
29									
30									
31									
32	TOTAL Year End	9,031	\$ 10.00	(0.54)	-	N/A	N/A	N/A	N/A

MONTANA EARNED RATE OF RETURN

Year: 2018

	Description	Last Year	This Year	% Change
	Rate Base			
1				
2	101 Plant in Service	2,146,056	2,399,361	-10.56%
3	108 (Less) Accumulated Depreciation	(871,724)	(997,463)	12.61%
4	NET Plant in Service	1,274,332	1,401,898	-9.10%
5				
6	Additions			
7	154, 156 Materials & Supplies	83,393	67,971	22.69%
8	165 Prepayments			
9	Other Additions (Schedule 27A)	85,165	79,724	6.82%
10	TOTAL Additions	168,558	147,695	14.13%
11				
12	Deductions			
13	190 Accumulated Deferred Income Taxes	79,873	12,414	543.41%
14	252 Customer Advances for Construction			
15	255 Accumulated Def. Investment Tax Credits			
16	Other Deductions (Schedule 27A)	72,092	19,338	272.81%
17	TOTAL Deductions	151,964	31,752	378.60%
18	TOTAL Rate Base	1,290,926	1,517,842	-14.95%
19				
20	Net Earnings	18,532	14,482	27.97%
21				
22	Rate of Return on Average Rate Base	1.436%	0.954%	50.46%
23				
24	Rate of Return on Average Equity	1.37%	1.08%	27.02%
25				
26	Major Normalizing Adjustments:			
27				
28				
29	Commission Ratemaking adjustments to Utility Operations:			
30	Remove SAP Buyout from Plant in Service	(38,060)	(76,120)	
31	Remove SAP Buyout from Accumulated Depreciation	-	4,965	
32	Add Back ADIT related to SAP Buyout	-	2,312	
33				
34	Adjusted Rate Base	1,252,866	1,448,998	
35				
36	Add Back SAP Buyout Depreciation Expense to			
37	Net Earnings	-	4,965	
38	Adjust tax expense related to SAP Buyout			
39	Depreciation Expense	-	(1,307)	
40				
41	Adjusted Net Earnings	18,532	18,140	
42				
43				
44				
45				
46				
47	Adjusted Rate of Return on Average Rate Base	1.479%	1.252%	18.15%
48				
49	Adjusted Rate of Return on Average Equity	1.37%	1.35%	1.41%

Company Name: Cut Bank Gas Company

SCHEDULE 27A

SCHEDULE TO ATTACH TO PSC REPORT

Year: 2018

	<u>Last Year</u>	<u>This Year</u>
Operating expenses	\$ 584,509	\$ 539,071
Maintenance expenses	\$ 16,063	\$ 13,287
	<u>600,572</u>	<u>552,358</u>
Divided by	8	8
1/8 Op. & Maint. For working capital	\$ 75,072	\$ 69,045
Debt Issue Costs - Long Term Debt	\$ 5,133	\$ 4,677
Regulatory Asset - SOP 98-1	4,960	4,960
Regulatory Asset - TCJA Refund/Recovery	0	1,043
Total Other Additions	<u>\$ 85,165</u>	<u>\$ 79,724</u>

	<u>Last Year</u>	<u>This Year</u>
Deductions to Rate Base		
Capital Lease Obligation	68,867	16,215
Regulatory Liability - EDIT	3,225	3,123
Total Other Deductions	<u>72,092</u>	<u>19,338</u>

MONTANA COMPOSITE STATISTICS

Year: 2018

	Description	Amount
1		
2	Plant (Intrastate Only)	
3		
4	101 Plant in Service	2,661,963
5	107 Construction Work in Progress	
6	114 Plant Acquisition Adjustments	
7	105 Plant Held for Future Use	
8	154, 156 Materials & Supplies	64,518
9	(Less):	
10	108, 111 Depreciation & Amortization Reserves	(1,082,679)
11	252 Contributions in Aid of Construction	(86,314)
12		
13	NET BOOK COSTS	1,557,488
14		
15	Revenues & Expenses	
16		
17	400 Operating Revenues	1,566,922
18		
19	403 - 407 Depreciation & Amortization Expenses	203,539
20	Federal & State Income Taxes	
21	Other Taxes	28,001
22	Other Operating Expenses	1,320,900
23	TOTAL Operating Expenses	1,552,440
24		
25	Net Operating Income	14,482
26		
27	415 - 421.1 Other Income	16,078
28	421.2 - 426.5 Other Deductions	
29	427 - 432 Interest Charges	35,398
30	NET INCOME (LOSS)	(4,838)
31		
32	Customers (Intrastate Only)	
33		
34	Year End Average:	
35	Residential	1,258
36	Commercial	254
37	Industrial	
38	Other	
39		
40	TOTAL NUMBER OF CUSTOMERS	1,512
41		
42	Other Statistics (Intrastate Only)	
43	Average Annual Residential Use (Mcf or Dkt) mcf	97.9
44	Average Annual Residential Cost per (Mcf or Dkt) (\$) *	\$7.74
45	* Avg annual cost = [(cost per Mcf or Dkt x annual use) + (mo. svc chrg x 12)]/annual use	
46	Average Residential Monthly Bill	63
47	Gross Plant per Customer	1,703

MONTANA CUSTOMER INFORMATION

Year: 2018

	City/Town	Population (Include Rural)	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1	Cut Bank	4,000	1,258	254		1,512
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31						
32	TOTAL Montana Customers	4,000	1,258	254		1,512

MONTANA EMPLOYEE COUNTS

Year: 2018

	Department	Year Beginning	Year End	Average
1	Administration	1	1	1
2	Service	4	3	4
3	Office	2	1	2
4				
5				
6				
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47				
48				
49				
50	TOTAL Montana Employees	7	5	6

MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)

Year: 2018

	Project Description	Total Company	Total Montana
1	2019 General Budget	159,715	159,715
2			
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49			
50	TOTAL	159,715	159,715

TRANSMISSION SYSTEM - TOTAL COMPANY & MONTANA

Year: 2018

Total Company				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes 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	TOTAL			

Montana				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes 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	TOTAL			

DISTRIBUTION SYSTEM - TOTAL COMPANY & MONTANA

Year: 2018

Total Company				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt
1	January			
2	February			
3	March			
4	April			
5	May			
6	June			
7	July			
8	August			
9	September			
10	October			
11	November			
12	December			
13	TOTAL			

Montana				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf @14.9 psia or Dkt
14	January	1	1,583	29,231
15	February	19	1,499	33,798
16	March	4	1,259	25,640
17	April	2	1,178	16,918
18	May	11	459	5,390
19	June	1	216	3,696
20	July	3	133	2,516
21	August	27	278	2,798
22	September	30	639	6,614
23	October	9	778	15,304
24	November	16	1,144	22,321
25	December	31	1,308	27,751
26	TOTAL			191,977

STORAGE SYSTEM - TOTAL COMPANY & MONTANA

Year: 2018

		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							
2	February	Cut Bank Gas Company does not have a storage system.						
3	March							
4	April							
5	May							
6	June							
7	July							
8	August							
9	September							
10	October							
11	November							
12	December							
13	TOTAL							

		Montana						
		Peak Day of Month		Peak Day Volumes (Mcf or Dkt)		Total Monthly Volumes (Mcf or Dkt)		
		Injection	Withdrawal	Injection	Withdrawal	Injection	Withdrawal	Losses
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	TOTAL							

SOURCES OF GAS SUPPLY

Year: 2018

	Name of Supplier	Last Year Volumes Mcf or Dkt	This Year Volumes Mcf or Dkt	Last Year Avg. Commodity Cost	This Year Avg. Commodity Cost
1	North Western Energy @14.9	187,494	191,977	\$4.40543	\$3.99883
2	Cut Bank Gas Company - Royalty @14.73		\$ -		\$ -
3					
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32					
33	Total Gas Supply Volumes	187,494	191,977	\$4.1512	\$3.9988

MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS

Year: 2018

	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							
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30							
31							
32		TOTAL					

MONTANA CONSUMPTION AND REVENUES

Year: 2018

	Sales of Gas	Operating Revenues		MCF Sold @13.08 psia		Avg. No. of Customers	
		Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
1	at 13.08 Residential	1,000,137	953,170	127,704	123,122	1,261	1,258
2	Commercial - Small	534,397	613,262	78,678	93,532	254	254
3	Commercial - Large						
4	Industrial - Small						
5	Industrial - Large						
6	Interruptible Industrial						
7	Other Sales to Public Authorities						
8	Sales to Other Utilities						
9	Interdepartmental						
10							
11	TOTAL	\$1,534,534	\$1,566,432	206,382	216,654	1,515	1,512
12							
13							
14							
15		Operating Revenues		BCF Transported		Avg. No. of Customers	
16							
17		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
18	Transportation of Gas						
19							
20	Utilities	Cut Bank Gas Company has no Transmission Revenue					
21	Industrial						
22	Other						
23							
24	TOTAL						

Natural Gas Universal System Benefits Programs

Year: 2018

	Program Description	Actual Current Year Expenditures	Contracted or Committed Current Year Expenditures	Total Current Year Expenditures	Expected savings (MW and MWh)	Most recent program 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						
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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	109 customers who were LIEAP eligible received \$200.00 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

Year: 2018

	Program Description	Actual Current Year Expenditures	Contracted or Committed Current Year Expenditures	Total Current Year Expenditures	Expected savings (MW and MWh)	Most recent program evaluation
1	Local Conservation					
2		Cut Bank Gas Company does not have Conservation and Demand Side Management Programs.				
3						
4						
5						
6						
7						
8	Demand Response					
9						
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15	Market Transformation					
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22	Research & Development					
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29	Low Income					
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35	Other					
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48	Total					