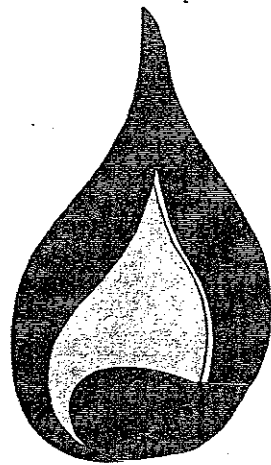


YEAR ENDING December 2009

ANNUAL REPORT
OF

Cut Bank Gas Company

GAS UTILITY



RECEIVED BY
2010 MAY 25 A 10:23
PUBLIC SERVICE
COMMISSION

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

IDENTIFICATION

Year: 2009

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 Cut Bank, MT 59427
5.	Person Responsible for This Report:	Jed Henthorne
5a.	Telephone Number:	(406)791-7500
Control Over Respondent		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
	1a. Name and address of the controlling organization or person:	
	1b. Means by which control was held:	
	1c. Percent Ownership:	

SCHEDULE 2

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Remuneration (b)
1	Richard M. Osborne Mentor, OH	\$24,000
2	Thomas J. Smith Mentor, OH	
3	Kevin J. Degenstein Great Falls, MT	

Officers

Year: 2009

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	President & Chief Operating Officer	Total Company	Kevin J. Degenstein
2			
3	Vice President & Secretary	Total Company	Jed D. Henthorne
4			
5	Assistant Vice President	Total Company	Ed Kacer
6			
7	Assistant Secretary	Total Company	Cheryl Johnson
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CORPORATE STRUCTURE

Year: 2009

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1	Cut Bank Gas - A subsidiary of	Natural Gas Utility	53,587	
2	Energy West Incorporated			
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42				100.00%
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47				
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49				
50	TOTAL		53,587	

CORPORATE ALLOCATIONS

Year: 2009

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	ENERGY WEST, OVERHEADS	921	DIRECT PAYROLL & 4 FACTOR	11,069	0.36%	3,082,592
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34	TOTAL			11,069	100.00%	

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY

Year: 2009

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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32	TOTAL					

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2009

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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32	TOTAL					

MONTANA UTILITY INCOME STATEMENT

Year: 2009

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	2,218,428	2,014,003	-9.21%
2				
3	Operating Expenses			
4	401 Operation Expenses	2,002,817	1,911,852	-4.54%
5	402 Maintenance Expense	102,017	129,802	27.24%
6	403 Depreciation Expense	33,994	28,809	-15.25%
7	404-405 Amort. & Depl. of Gas Plant			
8	406 Amort. of Gas Plant Acquisition Adjustments		12,508	#DIV/0!
9	407.1 Amort. of Property Losses, Unrecovered Plant & Regulatory Study Costs			
10	407.2 Amort. of Conversion Expense			
11	408.1 Taxes Other Than Income Taxes	71,640	67,857	-5.28%
12	409.1 Income Taxes - Federal		46,750	#DIV/0!
13	- Other			
14	410.1 Provision for Deferred Income Taxes	50	(33,761)	-67622.00%
15	411.1 (Less) Provision for Def. Inc. Taxes - Cr.	2,132	2,854	33.86%
16	411.4 Investment Tax Credit Adjustments			
17	411.6 (Less) Gains from Disposition of Utility Plant			
18	411.7 Losses from Disposition of Utility Plant			
19				
20	TOTAL Utility Operating Expenses	2,212,650	2,166,671	-2.08%
21	NET UTILITY OPERATING INCOME	5,778	(152,668)	-2742.23%

MONTANA REVENUES

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Gas			
2	480 Residential	2,206,370	1,193,698	-45.90%
3	481 Commercial & Industrial - Small		808,405	#DIV/0!
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	2,206,370	2,002,103	-9.26%
9	483 Sales for Resale			
10	TOTAL Sales of Gas	2,206,370	2,002,103	-9.26%
11	Other Operating Revenues			
12	487 Forfeited Discounts & Late Payment Revenues			
13	488 Miscellaneous Service Revenues	9,106	9,961	9.39%
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	2,952	1,939	-34.33%
21	TOTAL Other Operating Revenues	12,058	11,900	-1.31%
22	Total Gas Operating Revenues	2,218,428	2,014,003	-9.21%
23				
24	496 (Less) Provision for Rate Refunds			
25				
26	TOTAL Oper. Revs. Net of Pro. for Refunds	2,218,428	2,014,003	-9.21%
27				

SCHEDULE 9A

CUT BANK GAS COMPANY
SCHEDULE TO ATTACH TO PSC REPORT
DECEMBER 31, 2009

Line 20 Sch 9 Other Gas Revenue

	LAST YEAR	THIS YEAR	% CHANGE
Interest Income	1,872.00	1250.03	
Patronage Dividend	-	-	
Loss on Investment in Cooperatives	-	-	
Miscellaneous	1,080.00	509	
Investment Tax Credits		179.66	
Totals	2,952.00	1,938.69	

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2009

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses			
2	Production & Gathering - Operation			
3	750 Operation Supervision & Engineering	28,244		-100.00%
4	751 Production Maps & Records			
5	752 Gas Wells Expenses			
6	753 Field Lines Expenses			
7	754 Field Compressor Station Expenses	6,399	5,070	-20.77%
8	755 Field Compressor Station Fuel & Power			
9	756 Field Measuring & Regulating Station Expense			
10	757 Purification Expenses			
11	758 Gas Well Royalties	18,038	20,757	15.07%
12	759 Other Expenses			
13	760 Rents			
14	Total Operation - Natural Gas Production	52,681	25,827	-50.97%
15	Production & Gathering - Maintenance			
16	761 Maintenance Supervision & Engineering		27,786	#DIV/0!
	762 Maintenance of Structures & Improvements			
18	763 Maintenance of Producing Gas Wells	8,161	8,578	5.11%
19	764 Maintenance of Field Lines	1,428	1,664	16.53%
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.	9,589	38,028	296.58%
26	TOTAL Natural Gas Production & Gathering	62,270	63,855	2.55%
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: 2009

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	1,425,450	1,335,572	-6.31%
17	805 Other Gas Purchases			
18	805.1 Purchased Gas Cost Adjustments			
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	TOTAL Other Gas Supply Expenses	1,425,450	1,335,572	-6.31%
34				
35	TOTAL PRODUCTION EXPENSES	1,487,720	1,399,427	-5.93%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2009

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	Cut Bank Gas Company has no expense of this nature on this page		
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: 2009

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	6,865	6,271	-8.65%
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	18,033	27,528	52.65%
32	875 Measuring & Reg. Station Exp.-General			
33	876 Measuring & Reg. Station Exp.-Industrial			
34	877 Meas. & Reg. Station Exp.-City Gate Ck. Sta.		573	#DIV/0!
35	878 Meter & House Regulator Expenses	21,940	19,275	-12.15%
36	879 Customer Installations Expenses	12,061	10,867	-9.90%
37	880 Other Expenses	3,221	14,523	350.88%
38	881 Rents			
39	Total Operation - Distribution	62,120	79,037	27.23%
40	Maintenance			
41	885 Maintenance Supervision & Engineering			
42	886 Maintenance of Structures & Improvements			
43	887 Maintenance of Mains	47,931	43,097	-10.09%
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		103	#DIV/0!
49	893 Maintenance of Meters & House Regulators	10,735	11,393	6.13%
50	894 Maintenance of Other Equipment			
51	Total Maintenance - Distribution	58,666	54,593	-6.94%
52	TOTAL Distribution Expenses	120,786	133,630	10.63%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2009

Account Number & Title		Last Year	This Year	% Change
1				
2	Customer Accounts Expenses			
3	Operation			
4	901 Supervision			
5	902 Meter Reading Expenses	22,916	25,888	12.97%
6	903 Customer Records & Collection Expenses	48,369	59,826	23.69%
7	904 Uncollectible Accounts Expenses	3,205	3,205	
8	905 Miscellaneous Customer Accounts Expenses	9,468	(41)	-100.43%
9				
10	TOTAL Customer Accounts Expenses	83,958	88,878	5.86%
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	1,226	729	-40.54%
26	916 Miscellaneous Sales Expenses			
27				
28	TOTAL Sales Expenses	1,226	729	-40.54%
29				
30	Administrative & General Expenses			
31	Operation			
32	920 Administrative & General Salaries	112,954	95,499	-15.45%
33	921 Office Supplies & Expenses	16,750	23,624	41.04%
34	922 (Less) Administrative Expenses Transferred - Cr.			
35	923 Outside Services Employed	61,093	63,604	4.11%
36	924 Property Insurance	13,673	20,554	50.33%
37	925 Injuries & Damages	15,095	14,792	-2.01%
38	926 Employee Pensions & Benefits	24,450	29,002	18.62%
39	927 Franchise Requirements			
40	928 Regulatory Commission Expenses	24,647	64,843	163.09%
41	929 (Less) Duplicate Charges - Cr.			
42	930.1 General Advertising Expenses			
43	930.2 Miscellaneous General Expenses	88,369	56,695	-35.84%
44	931 Rents	3,483	295	-91.53%
45	933 Transportation	16,868	12,901	-23.52%
46	TOTAL Operation - Admin. & General	377,382	381,809	1.17%
47	Maintenance			
48	935 Maintenance of General Plant	33,762	37,181	10.13%
49				
50	TOTAL Administrative & General Expenses	411,144	418,990	1.91%
51	TOTAL OPERATION & MAINTENANCE EXP.	788,526	800,799	1.56%

SCHEDULE 10A

CUT BANK GAS COMPANY
SCHEDULE TO ATTACH TO PSC REPORT
DECEMBER 31, 2009

LINE 43 SCH 10 MISCELLANEOUS GENERAL EXPENSE

	LAST YEAR	THIS YEAR	% CHANGE
Interest expense	20,445.00	24,145.00	
Donations	1,615.00	1,290.00	
Miscellaneous expense	23,600.00	30,574.00	
Regulatory order	42,128.00		
Communication expense	581.00	686.00	
TOTAL	88,369.00	56,695.00	

MONTANA TAXES OTHER THAN INCOME

Year: 2009

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes	31,985	32,399	1.29%
2	Superfund	-	-	-
3	Secretary of State	-	-	-
4	Montana Consumer Counsel	1,856	1,160	-37.50%
5	Montana PSC	5,745	4,311	-24.96%
6	Franchise Taxes	-	-	-
7	Property Taxes	11,061	12,323	11.41%
8	Tribal Taxes	1,479	-	-
9	Natural Gas Production Tax	18,536	16,217	-12.51%
10	Vehicle Licenses	978	978	
11	Revenue & rate recovery		469	#DIV/0!
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51	TOTAL MT Taxes other than Income	71,640	67,857	-5.28%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES

Year: 2009

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	David F. Stufft	Attorney	38,263	38,263	100.00%
2	JCCS, CPA's	Accountant	19,448	19,448	100.00%
4	LCH Computers	Consultant	145	145	100.00%
5	Sandra Barrows	Rate Analyst	7,235	7,235	100.00%
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50	TOTAL Payments for Services		65,091	65,091	

POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS Year: 2009

	Description	Total Company	Montana	% Montana
1	None			
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50	TOTAL Contributions			

Pension Costs

Year: 2009

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(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	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	560,365.00	568,576.00	1.47%
18	Actual return on plan assets	41,653.00	-46,557.00	-211.77%
19	Acquisition			
20	Employer contribution	10,236.00	10,236.00	
21	Plan participants' contributions	20,510.00	28,110.00	37.06%
22	Benefits paid			
23	Fair value of plan assets at end of year	632,764.00	560,365.00	-11.44%
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		8	#DIV/0!
48	Not Covered by the Plan			
49	Active		6	#DIV/0!
50	Retired		1	#DIV/0!
51	Deferred Vested Terminated		1	#DIV/0!

Other Post Employment Benefits (OPEBS)

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 post employment benefits		#VALUE!
8 Expected return on plan assets			
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	#VALUE!		#VALUE!
44 Amortization of prior service cost			
45 Recognized net actuarial loss			
46 Net periodic benefit cost	#VALUE!		#VALUE!
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

	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	#VALUE!		#VALUE!
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost	#VALUE!		#VALUE!
37	Accumulated Post Retirement Benefit Obligation			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	Number of Montana Employees:			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	Kevin J. Degenstein President and Chief Operating Officer	186,550			186,550	195,771	-5%
2	Jed D. Henthorne Vice President of Administration	127,199			127,199	131,700	-3%
3	Ed Kacer Director of Operations	87,945			87,945	81,900	7%
4	Mark S. Coryell Serviceman 2nd Class	56,170			56,170	55,546	1%
5	Thomas F. Shock Serviceman 2nd Class	55,965			55,965	54,968	2%
6	S. Jane Lindberg Bookkeeper	51,495			51,495	50,429	2%
7	Joseph S. Racki Serviceman 3rd Class	52,948			52,948	51,191	3%
8	Lori L. Milbrandt Secretary/Receptionist	33,994			33,994	33,349	2%
9	Aaron J. Brown Serviceman 4th Class	23,602			23,602	5,632	319%
10							

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	Kevin J. Degenstein President and Chief Operating Officer	186,550			186,550	195,771	-5%
2	David C. Shipley Vice President of East Coast Operations	136,350			136,350	182,500	-25%
3	Jed D. Henthorne Vice President of Administration	127,199			127,199	131,700	-3%
4	Thomas Smith Vice President / CFO	78,120			78,120	80,947	-3%
5	Rebecca Howell Corporate Secretary	23,000			23,000	18,500	24%

BALANCE SHEET

Year: 2009

	Account Number & Title	12/31/2008	Last Year 6/30/09	This Year 12/31/09	12 month % Change
1	Assets and Other Debits				
2	Utility Plant				
3	101 Gas Plant in Service	804,897	793,960	762,189	4%
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			5,062	-100%
11	108 (Less) Accumulated Depreciation	(642,513)	(559,502)	(576,956)	3%
12	111 (Less) Accumulated Amortization & Depletion				
13	114 Gas Plant Acquisition Adjustments			1,056,771	-100%
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	162,384	234,458	1,247,066	-81%
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	2,644	2,644	2,696	-2%
26	125 Sinking Funds				
27	TOTAL Other Property & Investments	2,644	2,644	2,696	-2%
28	Current & Accrued Assets				
29	131 Cash	149,435	84,200	101,389	-17%
30	132-134 Special Deposits				
31	135 Working Funds				
32	136 Temporary Cash Investments				
33	141 Notes Receivable				
34	142 Customer Accounts Receivable	485,289	97,288	315,636	-69%
35	143 Other Accounts Receivable	7,012	4,739	5,893	-20%
36	144 (Less) Accum. Provision for Uncollectible Accts.	(14,945)	(7,723)	(13,446)	43%
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	16,537	15,920	20,523	-22%
43	155 Merchandise	1,799	1,543	1,485	4%
44	156 Other Material & Supplies				
45	163 Stores Expense Undistributed				
46	164.1 Gas Stored Underground - Current				
47	165 Prepayments	9,835	6,346	1,858	242%
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			0	-100%
53	TOTAL Current & Accrued Assets	654,962	202,313	433,338	-53%

BALANCE SHEET

Year: 2009

	Account Number & Title	12/31/2008	Last Year 6/30/09	This Year 12/31/09	12 month % Change
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				
11	185 Temporary Facilities				
12	186 Miscellaneous Deferred Debits			212,628	-100%
13	187 Deferred Losses from Disposition of Util. Plant				
14	188 Research, Devel. & Demonstration Expend.				
15	189 Unamortized Loss on Reacquired Debt			(0)	24945982%
16	190 Accumulated Deferred Income Taxes	45,262	42,408	(79,210)	100%
17	191 Unrecovered Purchased Gas Costs				
18	192.1 Unrecovered Incremental Gas Costs				
19	192.2 Unrecovered Incremental Surcharges				
20	TOTAL Deferred Debits	45,262	42,408	133,418	-68%
21					
22	TOTAL ASSETS & OTHER DEBITS	865,251	481,823	1,816,518	-73%
	Account Number & Title	12/31/2008	Last Year 6/30/09	This Year 12/31/09	12 month % Change
23	Liabilities and Other Credits				
24					
25	Proprietary Capital				
26					
27	201 Common Stock Issued	90,310	90,310	75,110	20%
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			524,910	-100%
33	213 (Less) Discount on Capital Stock				
34	214 (Less) Capital Stock Expense				
35	215 Appropriated Retained Earnings				
36	216 Unappropriated Retained Earnings	(20,349)	(2,781)	53,587	-105%
37	217 (Less) Reacquired Capital Stock				
38	TOTAL Proprietary Capital	69,961	87,529	653,607	-87%
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	4,974	5,378	3,416	57%
46	225 Unamortized Premium on Long Term Debt				
47	226 (Less) Unamort. Discount on L-Term Debt-Dr.				
48	TOTAL Long Term Debt	4,974	5,378	3,416	57%

1

2

3

4

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BALANCE SHEET

Year: 2009

	Account Number & Title	12/31/2008	Last Year 6/30/09	This Year 12/31/09	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				
12	TOTAL Other Noncurrent Liabilities				
13					
14	Current & Accrued Liabilities				
15					
16	231 Notes Payable	249,528	1,265	1,265	
17	232 Accounts Payable	452,002	210,734	240,175	-12%
18	233 Notes Payable to Associated Companies				
19	234 Accounts Payable to Associated Companies			336,920	-100%
20	235 Customer Deposits	47,701	45,600	47,594	-4%
21	236 Taxes Accrued	5,867	16,516	46,261	-64%
22	237 Interest Accrued	30,193	31,018	31,900	-3%
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	5,024	27,606	238,140	-88%
28	243 Obligations Under Capital Leases - Current				
29	TOTAL Current & Accrued Liabilities	790,317	332,739	942,255	-65%
30					
31	Deferred Credits				
32					
33	252 Customer Advances for Construction				
34	253 Other Deferred Credits		43,620	191,440	-77%
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		12,557	25,803	-51%
39	TOTAL Deferred Credits		56,177	217,243	-74%
40					
41	TOTAL LIABILITIES & OTHER CREDITS	865,251	481,823	1,816,521	-73%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2009

	Account Number & Title	Last Year	This Year	% Change
1	Intangible Plant			
2				
3	301 Organization	11,354	11,354	
4	302 Franchises & Consents	1,770		#DIV/0!
5	303 Miscellaneous Intangible Plant	30,000		#DIV/0!
6				
7	TOTAL Intangible Plant	43,124	11,354	280%
8				
9	Production Plant			
10				
11	Production & Gathering Plant			
12				
13	325.1 Producing Lands			
14	325.2 Producing Leaseholds	12,877	12,878	0%
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	6,590	6,590	
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	4,413	4,413	
25	333 Field Compressor Station Equipment	9,799	9,799	
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	146,149	146,150	0%
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	Total Products Extraction Plant			
46				
47	TOTAL Production Plant	146,149	146,150	0%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2009

	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 Purification 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	792	792	
43	368 Compressor Station Equipment			
44	369 Measuring & Reg. Station Equipment			
45	370 Communication Equipment			
46	371 Other Equipment			
47				
48	TOTAL Transmission Plant	792	792	

Cut Bank Gas Company has no storage and processing plant assets

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2009

	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	220,618	220,618	
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			
11	381 Meters	64,136	64,136	
12	382 Meter Installations	16,130	16,130	
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	319,263	319,263	
20				
21	General Plant			
22				
23	389 Land & Land Rights	10,000	10,000	
24	390 Structures & Improvements	85,885	85,885	
25	391 Office Furniture & Equipment	33,420	33,420	
26	392 Transportation Equipment	88,859	88,859	
27	393 Stores Equipment			
28	394 Tools, Shop & Garage Equipment	15,521	15,521	
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	TOTAL General Plant	284,632	284,632	
36				
37	TOTAL Gas Plant in Service	793,960	762,191	4%

MONTANA DEPRECIATION SUMMARY

Year: 2009

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1	Production & Gathering		132,222	132,719	
2	Products Extraction				
3	Underground Storage				
4	Other Storage				
5	Transmission		792	791	
6	Distribution		206,462	214,190	
7	General		220,026	229,256	
8	TOTAL		559,502	576,956	

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)	15,920	20,523	-22%
11	Assigned to Other	1,543	1,485	4%
12	155 Merchandise			
13	156 Other Materials & Supplies			
14	163 Stores Expense Undistributed			
15				
16	TOTAL Materials & Supplies	17,463	22,008	-21%

MONTANA REGULATORY CAPITAL STRUCTURE & COSTS

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number D20006.2.15			
2	Order Number 6720c			
3				
4	Common Equity 187,849.00	55.00%	10.27%	5.65%
5	Preferred Stock			
6	Long Term Debt 153,695.00	45.00%	7.00%	3.15%
7	Other			
8	TOTAL 341,544.00	100.00%		8.80%
9				
10	Actual at Year End			
11				
12	Common Equity 653,607.00	92.95%	-	-
13	Preferred Stock			
14	Long Term Debt 3,416.00	7.05%	-	-
15	Other			
16	TOTAL 657,023.00	100.00%		

STATEMENT OF CASH FLOWS

Year: 2009

	Description	Last Year	This Year	% Change
1				
2	Increase/(decrease) in Cash & Cash Equivalents:			
3				
4	Cash Flows from Operating Activities:			
5	Net Income	5,778	(152,668)	104%
6	Depreciation	33,994	28,809	18%
7	Amortization	-	12,508	#VALUE!
8	Deferred Income Taxes - Net	2,132	(30,906)	107%
9	Regulatory Orders	28,952		#DIV/0!
10	Change in Operating Receivables - Net	42,107	169,270	-75%
11	Change in Materials, Supplies & Inventories - Net	1,910		#DIV/0!
12	Change in Operating Payables & Accrued Liabilities - Net	68,530	125,093	-45%
13	Allowance for Funds Used During Construction (AFUDC)			
14	Change in Other Assets & Liabilities - Net	25,198	60,317	-58%
15	Other Operating Activities (explained on attached page)			
16	Net Cash Provided by/(Used in) Operating Activities	208,601	212,423	-2%
17				
18	Cash Inflows/Outflows From Investment Activities:			
19	Construction/Acquisition of Property, Plant and Equipment			
20	(net of AFUDC & Capital Lease Related Acquisitions)	(8,411)	(7,224)	-16%
21	Acquisition of Other Noncurrent Assets			
22	Proceeds from Disposal of Noncurrent Assets	93		#DIV/0!
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	(8,318)	(7,224)	-15%
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 in Short-Term Debt			
36	Other:			
37	Payment for Retirement of:			
38	Long-Term Debt	(5,813)	(253,245)	98%
39	Preferred Stock			
40	Common Stock			
41	Other:			
42	Net Decrease in Short-Term Debt	(144,953)		#DIV/0!
43	Dividends on Preferred Stock			
44	Dividends on Common Stock			
45	Other Financing Activities (explained on attached page)	(14,404)		#DIV/0!
46	Net Cash Provided by (Used in) Financing Activities	(165,170)	(253,245)	35%
47				
48	Net Increase/(Decrease) in Cash and Cash Equivalents	35,113	(48,046)	173%
49	Cash and Cash Equivalents at Beginning of Year	49,087	149,435	-67%
50	Cash and Cash Equivalents at End of Year	84,200	101,389	-17%

SCHEDULE 23a

**CUT BANK GAS CO.
SCHEDULE TO ATTACH TO PSC REPORT
DECEMBER 31, 2009**

LINE 45 SCH 23 OTHER FINANCING ACTIVITIES

	LAST YEAR	THIS YEAR	% CHANGE
Payments on regulatory order	14,404.00	55,406.30	
TOTAL	14,404.00	55,406.30	

Year: 2009

LONG TERM DEBT

	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	GMAC Auto Loan	6-Aug	11-Aug	22,743	22,743	4,680		115	2.46%
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
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20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32	TOTAL			22,743	22,743	4,680		115	2.46%

PREFERRED STOCK

Year: 2009

	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										
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25										
26										
27										
28										
29										
30										
31										
32	TOTAL									

COMMON STOCK

Year: 2009

	Avg. Number of Shares Outstanding	Book Value Per Share	Earnings Per Share	Dividends Per Share	Retention Ratio	Market Price High	Market Price Low	Price/Earnings Ratio
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
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32	TOTAL Year End	9031	\$9.69	\$0.64	-	N/A	N/A	N/A

Information only available for the fiscal year end December 2009

MONTANA EARNED RATE OF RETURN

Year: 2009

	Description	Last Year	This Year	% Change
1	Rate Base			
2	101 Plant in Service	793,960	762,191	-4.00%
3	108 (Less) Accumulated Depreciation	(559,502)	(576,956)	-3.12%
4	NET Plant in Service	234,458	185,235	-20.99%
5				
6	Additions			
7	154,156 Materials & Supplies	15,920	22,008	38.24%
8	165 Prepayments	6,346	1,858	-70.72%
9	Other Additions (Schedule 27A)	93,878	105,113	11.97%
10	TOTAL Additions	116,144	128,979	11.05%
11				
12	Deductions			
13	190 Accumulated Deferred Income Taxes			
14	252 Customer Advances for Construction			
15	255 Accumulated Def. Investment Tax Credits			
16	Other Deductions	45,600	47,594	4.37%
17	TOTAL Deductions	45,600	47,594	4.37%
18	TOTAL Rate Base	305,002	266,620	-12.58%
19				
20	Net Earnings	5,778	(152,668)	-2742.23%
21				
22	Rate of Return on Average Rate Base	1.89%	-57.26%	-3122.61%
23				
24	Rate of Return on Average Equity	6.830%	-23.358%	-441.99%
25				
26	Major Normalizing Adjustments & Commission			
27	Ratemaking adjustments to Utility Operations			
28				
29				
30				
31				
32				
33				
34				
35				
36				
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41				
42				
43				
44				
45				
46				
47	Adjusted Rate of Return on Average Rate Base	1.790%		-100.00%
48				
49	Adjusted Rate of Return on Average Equity	6.830%		-100.00%

SCHEDULE 27A

**CUT BANK GAS COMPANY
SCHEDULE TO ATTACH TO PSC REPORT
DECEMBER 31, 2009**

LINE 9 SCH 27 / PER COMMISSION ORDER #6311b

	LAST YEAR	THIS YEAR	% CHANGE
Operating expenses	2,002,817.00	1,911,852	
Mainenance expenses	102,017.00	129,802	
Taxes other than income	71,640.00	67,857	
	2,176,474.00	2,176,474.00	
Less:			
Purchased Gas	1,425,450.00	1,335,572	
	751,024.00	840,902.00	
Divided by	8.00	8.00	
1/8 Op. & Maint. For working capital	93,878.00	105,112.75	

MONTANA COMPOSITE STATISTICS

2009

	Description	Amount
1		
2	Plant (Intrastate Only) (000 Omitted)	
3		
4	101 Plant in Service	762,189
5	107 Construction Work in Progress	5,062
6	114 Plant Acquisition Adjustments	1,056,771
7	105 Plant Held for Future Use	
8	154, 156 Materials & Supplies	20,523
9	(Less):	(576,956)
10	108, 111 Depreciation & Amortization Reserves	
11	252 Contributions in Aid of Construction	
12		
13	NET BOOK COSTS	1,267,589
14	Revenues & Expenses (000 Omitted)	
15		
16		
17	400 Operating Revenues	2,014,003
18		
19	403 - 407 Depreciation & Amortization Expenses	41,317
20	Federal & State Income Taxes	46,750
21	Other Taxes	36,950
22	Other Operating Expenses	2,041,654
23	TOTAL Operating Expenses	2,166,671
24		
25	Net Operating Income	(152,668)
26		
27	415 - 421.1 Other Income	
28	421.2 - 426.5 Other Deductions	
29		
30	NET INCOME	(152,668)
31	Customers (Intrastate Only)	
32		
33		
34	Year End Average:	
35	Residential	1,234
36	Commercial	244
37	Industrial	
38	Other	
39		
40	TOTAL NUMBER OF CUSTOMERS	1,478
41	Other Statistics (Intrastate Only)	
42		
43		
44	Average Annual Residential Use (Mcf or Dkt))	93.68mcf
45	Average Annual Residential Cost per (Mcf or Dkt) (\$) *	\$10.33 mcf
46	* Avg annual cost = [(cost per Mcf or Dkt x annual use) + (mo. svc chrg x 12)]/annual use	
47	Average Residential Monthly Bill	81
48	Gross Plant per Customer	516

MONTANA CUSTOMER INFORMATION

Year: 2009

	City/Town	Population (Include Rural)	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1	Cut Bank	4,000	1,234	244		1,478
2						
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31						
32	TOTAL Montana Customers	4,000	1,234	244		1,478

MONTANA EMPLOYEE COUNTS

2009

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

MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)

20.09

	Project Description	Total Company	Total Montana
1	Cut Bank Gas Company	200,750	
2			
3			
4			
5			
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49			
50	TOTAL	200,750	

TRANSMISSION SYSTEM - TOTAL COMPANY & MONTANA

2009

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: 2009

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 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	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			

STORAGE SYSTEM - TOTAL COMPANY & MONTANA

2009

		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	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: 2009

	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	166,126 mcf's	177,715. mcf's	\$8.5810	\$7.5152
2	Cut Bank Gas Company - Royalty @14.73	21876 mcf's	20,668. mcf's	\$0.8250	\$1.0040
3					
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32					
33	Total Gas Supply Volumes				

MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS 2009

	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

2009

	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	\$1,193,699	considered	115,607	considered	1,234	considered
2	Commercial - Small	808,405	one	88,992	one	244	one
3	Commercial - Large		class		class		class
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	\$2,002,103	\$2,206,370	204599	206944	1478	1490
12							
13							
14							
15		Operating Revenues		BCF Transported		Avg. No. of Customers	
16		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
17							
18	Transportation of Gas						
19	Utilities	Cut Bank Gas Company has no Transmission Revenue					
20	Industrial						
21	Other						
22							
23							
24	TOTAL						

Natural Gas Universal System Benefits Programs

	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 this program.				
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						
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26						
27						
28						
29	Other					
30						
31	18 customers who were LIEAP eligible received \$175.00 each on their natural gas bill from the					
32	customer bill assistance program which is administered by Energy Share of Montana and					
33	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 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		Cut Bank Gas Company does not have Conservation and Demand Side Management Programs.				
4						
5						
6						
7						
8	Demand Response					
9						
10						
11						
12						
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14						
15	Market Transformation					
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19						
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21						
22	Research & Development					
23						
24						
25						
26						
27						
28						
29	Low Income					
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35	Other					
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48	Total					