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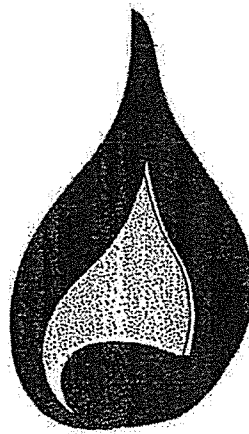
YEAR ENDING **2014** 2015

MONT. P.S. COMMISSION

**ANNUAL REPORT  
OF**

**Energy West Montana – Cascade**

**GAS UTILITY**



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

**IDENTIFICATION**

Year: 2014

1. Legal Name of Respondent:	Energy West Montana - Cascade
2. Name Under Which Respondent Does Business:	Energy West, Incorporated
3. Date Utility Service First Offered in Montana	Propane 8/94
4. Address to send Correspondence Concerning Report:	P.O. Box 2229 Great Falls, MT 59403-2229
5. Person Responsible for This Report:	Jed Henthorne
5a. Telephone Number:	(406)791-7500
<b>Control Over Respondent</b>	
1. If direct control over the respondent was held by another entity at the end of year provide the following:	
1a. Name and address of the controlling organization or person: (Not Applicable)	
1b. Means by which control was held:	
1c. Percent Ownership:	

<b>Board of Directors</b>		
Line No.	Name of Director and Address (City, State) (a)	Remuneration (b)
1	Michael Victor Concord, OH	\$53,400
2	Gene Argo Placerville, CA	\$58,400
3	Wade F. Brooksby Payson, AZ	\$49,200
4	John R. Male Novelty, OH	\$53,400
5	Richard Greaves Chardon, OH	\$53,400
6	Gregory J Osborne Painesville, OH	\$58,400
7	Thomas Smith Jacksonville, FL	\$58,400
8	James Sprague Cleveland, OH	\$40,000
9	Richard M. Osborne Mentor, OH	\$28,400
10	Michael Winter Orchard Park, NY	\$15,000
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17	This is the Board of Directors of Gas Natural Inc., Energy West, Inc's Parent Company	
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Officers

Year: 2014

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	President & CEO	Total Company (Gas Natural Inc.)	Gregory Osborne
2			
3	Vice President & CFO	Total Company (Gas Natural Inc.)	James Sprague
4			
5	COO & Chief Compliance Officer	Total Company (Gas Natural Inc.)	Kevin J. Degenstein
6			
7			
8	Corporate Controller	Total Company (Gas Natural Inc.)	Jed D. Henthorne
9			
10	Corporate Secretary	Total Company (Gas Natural Inc.)	Christopher J. Hubbert
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CORPORATE STRUCTURE

Year: 2014

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1	Energy West - Montana	Natural Gas Utility	994,019	21.89%
2	Energy West - Wyoming	Natural Gas Utility	224,611	4.95%
3	Energy West - W. Yellowstone	Natural Gas Utility	93,475	2.06%
4	Energy West - Cascade	Natural Gas Utility	(49,967)	-1.10%
5	Penobscot Consolidated	Natural Gas Utility	2,187,962	48.18%
6	Frontier Consolidated	Natural Gas Utility	2,229,044	49.09%
7	Energy West Propane - MT	Bulk Propane Sales	(3,294)	-0.07%
8	Energy West Resources	Gas Marketing	(1,331,756)	-29.33%
9	Energy West Development	Pipeline	129,902	2.86%
10	EWST Services		(227,880)	-5.02%
11	Energy West - Cut Bank Gas	Natural Gas Utility	177,313	3.90%
12	Consolidated Eliminations		117,343	2.58%
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43	Note: this is the corporate structure of Energy West, Inc.			
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50	<b>TOTAL</b>		<b>4,540,771</b>	<b>100.00%</b>

**CORPORATE ALLOCATIONS**

Year: 2014

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	ENERGY WEST, OVERHEADS	921	DIRECT PAYROLL & 4 FACTOR	22,397	0.49%	4,581,742
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34	<b>TOTAL</b>			22,397	0.49%	4,581,742

**AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY**

Year: 2014

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	Energy West Propane	Wholesale Propane	Delivered Cost & Storage	26,164		
2	Energy West Montana	Natural Gas	Delivered Cost & Storage	199,189		
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32	<b>TOTAL</b>			225,353		

**AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY**

Year: 2014

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	<b>TOTAL</b>					

## MONTANA UTILITY INCOME STATEMENT

Year: 2014

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	321,845	365,139	13.45%
2				
3	Operating Expenses			
4	401 Operation Expenses	246,205	286,512	16.37%
5	402 Maintenance Expense			
6	403 Depreciation Expense	30,136	30,152	0.05%
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 & Regulatory Study Costs			
10				
11	407.2 Amort. of Conversion Expense			
12	408.1 Taxes Other Than Income Taxes	42,300	36,926	-12.70%
13	409.1 Income Taxes - Federal	(4,046)	61,596	1622.41%
14	- Other	(590)	7,301	1338.30%
15	410.1 Provision for Deferred Income Taxes	178	(1,055)	-692.70%
16	411.1 (Less) Provision for Def. Inc. Taxes - Cr.			
17	411.4 Investment Tax Credit Adjustments			
18	411.6 (Less) Gains from Disposition of Utility Plant			
19	411.7 Losses from Disposition of Utility Plant			
20	<b>TOTAL Utility Operating Expenses</b>	<b>314,183</b>	<b>421,432</b>	<b>34.14%</b>
21	<b>NET UTILITY OPERATING INCOME</b>	<b>7,662</b>	<b>(56,292)</b>	<b>-834.68%</b>

## MONTANA REVENUES

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Gas			
2	480 Residential	177,838	203,708	14.55%
3	481 Commercial & Industrial - Small	144,007	161,431	12.10%
4				
5	482 Other Sales to Public Authorities			
6	484 Interdepartmental Sales			
7	485 Intracompany Transfers			
8	<b>TOTAL Sales to Ultimate Consumers</b>	<b>321,845</b>	<b>365,139</b>	<b>13.45%</b>
9	483 Sales for Resale			
10	<b>TOTAL Sales of Gas</b>	<b>321,845</b>	<b>365,139</b>	<b>13.45%</b>
11	Other Operating Revenues			
12	487 Forfeited Discounts & Late Payment Revenues			
13	488 Miscellaneous Service Revenues			
14	Commercial & Industrial - Large			
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	<b>TOTAL Other Operating Revenues</b>			
22	<b>Total Gas Operating Revenues</b>	<b>321,845</b>	<b>365,139</b>	<b>13.45%</b>
23				
24	496 (Less) Provision for Rate Refunds			
25				
26	<b>TOTAL Oper. Revs. Net of Pro. for Refunds</b>	<b>321,845</b>	<b>365,139</b>	<b>13.45%</b>
27				



**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2014

Account Number & Title		Last Year	This Year	% Change
1	<b>Production Expenses</b>			
2	Production & Gathering - Operation			
3	750 Operation Supervision & Engineering			
4	751 Production Maps & Records			
5	752 Gas Wells Expenses			
6	753 Field Lines Expenses			
7	754 Field Compressor Station Expenses			
8	755 Field Compressor Station Fuel & Power			
9	756 Field Measuring & Regulating Station Expense			
10	757 Purification Expenses			
11	758 Gas Well Royalties			
12	759 Other Expenses			
13	760 Rents			
14	<b>Total Operation - Natural Gas Production</b>			
15	Production & Gathering - Maintenance			
16	761 Maintenance Supervision & Engineering			
17	762 Maintenance of Structures & Improvements			
18	763 Maintenance of Producing Gas Wells			
19	764 Maintenance of Field Lines			
20	765 Maintenance of Field Compressor Sta. Equip.			
21	766 Maintenance of Field Meas. & Reg. Sta. Equip.			
22	767 Maintenance of Purification Equipment			
23	768 Maintenance of Drilling & Cleaning Equip.			
24	769 Maintenance of Other Equipment			
25	<b>Total Maintenance- Natural Gas Prod.</b>			
26	<b>TOTAL Natural Gas Production &amp; Gathering</b>			
27	Products Extraction - Operation			
28				
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	770 Operation Supervision & Engineering			
39	781 Variation in Products Inventory			
40	782 (Less) Extracted Products Used by Utility - Cr.			
41	783 Rents			
42	<b>Total Operation - Products Extraction</b>			
43	Products Extraction - Maintenance			
44	784 Maintenance Supervision & Engineering			
45	785 Maintenance of Structures & Improvements			
46	786 Maintenance of Extraction & Refining Equip.			
47	787 Maintenance of Pipe Lines			
48	788 Maintenance of Extracted Prod. Storage Equip.			
49	789 Maintenance of Compressor Equipment			
50	790 Maintenance of Gas Meas. & Reg. Equip.			
51	791 Maintenance of Other Equipment			
52	<b>Total Maintenance - Products Extraction</b>			
53	<b>TOTAL Products Extraction</b>			

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2014

Account Number & Title		Last Year	This Year	% Change
1	<b>Production Expenses - continued</b>			
2				
3	Exploration & Development - Operation			
4	795 Delay Rentals			
5	796 Nonproductive Well Drilling			
6	797 Abandoned Leases			
7	798 Other Exploration			
8	<b>TOTAL Exploration &amp; Development</b>			
9				
10	Other Gas Supply Expenses - Operation			
11	800 Natural Gas Wellhead Purchases			
12	800.1 Nat. Gas Wellhead Purch., Intracomp. Trans.			
13	801 Natural Gas Field Line Purchases	217,716	258,772	18.86%
14	802 Natural Gas Gasoline Plant Outlet Purchases			
15	803 Natural Gas Transmission Line Purchases			
16	804 Natural Gas City Gate Purchases			
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	<b>TOTAL Other Gas Supply Expenses</b>	217,716	258,772	18.86%
34				
35	<b>TOTAL PRODUCTION EXPENSES</b>	217,716	258,772	18.86%

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2014

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

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2014

Account Number & Title		Last Year	This Year	% Change
1	<b>Transmission Expenses</b>			
2	Operation			
3	850 Operation Supervision & Engineering			
4	851 System Control & Load Dispatching			
5	852 Communications System Expenses			
6	853 Compressor Station Labor & Expenses			
7	854 Gas for Compressor Station Fuel			
8	855 Other Fuel & Power for Compressor Stations			
9	856 Mains Expenses			
10	857 Measuring & Regulating Station Expenses			
11	858 Transmission & Compression of Gas by Others			
12	859 Other Expenses			
13	860 Rents			
14	<b>Total Operation - Transmission</b>			
15	Maintenance			
16	861 Maintenance Supervision & Engineering			
17	862 Maintenance of Structures & Improvements			
18	863 Maintenance of Mains			
19	864 Maintenance of Compressor Station Equip.			
20	865 Maintenance of Measuring & Reg. Sta. Equip.			
21	866 Maintenance of Communication Equipment			
22	867 Maintenance of Other Equipment			
23	<b>Total Maintenance - Transmission</b>			
24	<b>TOTAL Transmission Expenses</b>			
25	<b>Distribution Expenses</b>			
26	Operation			
27	870 Operation Supervision & Engineering			
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			
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			
36	879 Customer Installations Expenses			
37	880 Other Expenses			
38	881 Rents			
39	<b>Total Operation - Distribution</b>			
40	Maintenance			
41	885 Maintenance Supervision & Engineering			
42	886 Maintenance of Structures & Improvements			
43	887 Maintenance of Mains			
44	888 Maint. of Compressor Station Equipment			
45	889 Maint. of Meas. & Reg. Station Exp.-General			
46	890 Maint. of Meas. & Reg. Sta. Exp.-Industrial			
47	891 Maint. of Meas. & Reg. Sta. Equip.-City Gate			
48	892 Maintenance of Services			
49	893 Maintenance of Meters & House Regulators			
50	894 Maintenance of Other Equipment			
51	<b>Total Maintenance - Distribution</b>			
52	<b>TOTAL Distribution Expenses</b>			

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 2014

Account Number & Title		Last Year	This Year	% Change
1				
2	<b>Customer Accounts Expenses</b>			
3	Operation			
4	901 Supervision			
5	902 Meter Reading Expenses			
6	903 Customer Records & Collection Expenses			
7	904 Uncollectible Accounts Expenses	1,674	1,899	13.44%
8	905 Miscellaneous Customer Accounts Expenses			
9				
10	<b>TOTAL Customer Accounts Expenses</b>	<b>1,674</b>	<b>1,899</b>	<b>13.44%</b>
11				
12	<b>Customer Service &amp; Informational Expenses</b>			
13	Operation			
14	907 Supervision			
15	908 Customer Assistance Expenses			
16	909 Informational & Instructional Advertising Exp.			
17	910 Miscellaneous Customer Service & Info. Exp.			
18				
19	<b>TOTAL Customer Service &amp; Info. Expenses</b>			
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21	<b>Sales Expenses</b>			
22	Operation			
23	911 Supervision			
24	912 Demonstrating & Selling Expenses			
25	913 Advertising Expenses			
26	916 Miscellaneous Sales Expenses			
27				
28	<b>TOTAL Sales Expenses</b>			
29				
30	<b>Administrative &amp; General Expenses</b>			
31	Operation			
32	920 Administrative & General Salaries	578	640	10.73%
33	921 Office Supplies & Expenses	1,080	1,080	
34	922 (Less) Administrative Expenses Transferred - Cr.			
35	923 Outside Services Employed		100	#DIV/0!
36	924 Property Insurance	(185)	485	362.16%
37	925 Injuries & Damages			
38	926 Employee Pensions & Benefits			
39	927 Franchise Requirements			
40	928 Regulatory Commission Expenses			
41	929 (Less) Duplicate Charges - Cr.			
42	930.1 General Advertising Expenses			
43	930.2 Miscellaneous General Expenses	1,293	1,139	-11.91%
44	931 Rents			
45	Overheads	24,049	22,397	
46	<b>TOTAL Operation - Admin. &amp; General</b>	<b>26,815</b>	<b>25,841</b>	<b>-3.63%</b>
47	Maintenance			
48	935 Maintenance of General Plant			
49				
50	<b>TOTAL Administrative &amp; General Expenses</b>	<b>26,815</b>	<b>25,841</b>	<b>-3.63%</b>
51	<b>TOTAL OPERATION &amp; MAINTENANCE EXP.</b>	<b>246,205</b>	<b>286,512</b>	<b>16.37%</b>

**MONTANA TAXES OTHER THAN INCOME**

Year: 2014

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes			
2	Superfund			
3	Secretary of State			
4	Montana Consumer Counsel	211	405	91.94%
5	Montana PSC	693	1,548	123.38%
6	Franchise Taxes			
7	Property Taxes	41,396	34,973	-15.52%
8	Tribal Taxes			
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51	<b>TOTAL MT Taxes other than income</b>	42,300	36,926	-12.70%

**PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES** Year: 2014

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	NONE				
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50	<b>TOTAL Payments for Services</b>				

**POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS** Year: 2014

	Description	Total Company	Montana	% Montana
1	NONE			
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50	<b>TOTAL Contributions</b>			



Pension Costs

Year: 2014

1	Plan Name			
2	Defined Benefit Plan? _____	Defined Contribution Plan? _____		
3	Actuarial Cost Method? _____	IRS Code: _____		
4	Annual Contribution by Employer: _____	Is the Plan Over Funded? _____		
5				
	<b>Item</b>	<b>Current Year</b>	<b>Last Year</b>	<b>% Change</b>
6	<b>Change in Benefit Obligation</b>			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	<b>Change in Plan Assets</b>			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	<b>Funded Status</b>			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27				
28				
29	<b>Weighted-average Assumptions as of Year End</b>			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	<b>Components of Net Periodic Benefit Costs</b>			
35	Service cost			
36	Interest cost			
37	Prepaid (accrued) benefit cost			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	<b>Montana Intrastate Costs:</b>			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	<b>Number of Company Employees:</b>			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

Other Post Employment Benefits (OPEBS)

Year: 2014

	Item	Current Year	Last Year	% Change
1	<b>Regulatory Treatment:</b>			
2	Commission authorized - most recent			
3	Docket number: _____			
4	Order number: _____			
5	Amount recovered through rates			
6	<b>Weighted-average Assumptions as of Year End</b>			
7	Discount rate			
8	Expected return on plan assets			
9	Medical Cost Inflation Rate			
10	Actuarial Cost Method			
11	Rate of compensation increase			
12	<b>List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:</b>			
13				
14				
15	<b>Describe any Changes to the Benefit Plan:</b>			
	During fiscal 2006, the Company discontinued contributions and is no longer required to fund the Retiree Health Plan. As of Dec 31, 2014, the value of plan assets is \$132,717. The assets remaining in the trust will be used to fund the plan until these assets are exhausted. Therefore, the Company has eliminated any accrual for future contributions to the plan.			
16				
17	<b>TOTAL COMPANY</b>			
18	<b>Change in Benefit Obligation</b>			
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				
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	<b>Funded Status</b>			
37	Unrecognized net actuarial loss			
38	<b>Change in Plan Assets</b>			
39	Prepaid (accrued) benefit cost			
40	<b>Components of Net Periodic Benefit Costs</b>			
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	<b>Accumulated Post Retirement Benefit Obligation</b>			
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	<b>Number of Company Employees:</b>			
2	Covered by the Plan			
3	Not Covered by the Plan			
4	Active			
5	Retired			
6	Spouses/Dependants covered by the Plan			
7	<b>Montana</b>			
8	<b>Change in Benefit Obligation</b>			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	<b>Change in Plan Assets</b>			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	<b>Funded Status</b>			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	<b>Components of Net Periodic Benefit Costs</b>			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	<b>Accumulated Post Retirement Benefit Obligation</b>			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	<b>Montana Intrastate Costs:</b>			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	<b>Number of Montana Employees:</b>			
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	Jed D. Henthorne Vice President of Administration	157,792		6,474	164,266	149,203	10%
2	Nick Bohr Director of Operations	135,000			135,000	106,085	27%
3	Kevin J. Degenstein President and Chief Operating Officer	100,961		7,869	108,830	250,721	-57%
4	Tony Pietrykowski Operations Supervisor	90,033			90,033	83,344	8%
5	Evan Mathews Manager - West Yellowstone	87,030			87,030	85,533	2%
6	George Franko Welder	76,830			76,830	77,866	-1%
7	Merle Frazer Welder	75,258			75,258	70,200	7%
8	Corey Medved Senior Accountant	69,586			69,586	42,715	63%
9	Haley Jensen Office Manager and Senior Accountant	69,574			69,574	57,238	22%
10	Ira Shaulis Safety Director	69,981			69,981	68,377	2%

COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

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

**BALANCE SHEET**

Year: 2014

Account Number & Title		Last Year	This Year	% Change
1	<b>Assets and Other Debits</b>			
2	Utility Plant			
3	101 Gas Plant in Service	117,515,314	134,956,566	-13%
4	101.1 Property Under Capital Leases			
5	102 Gas Plant Purchased or Sold			
6	104 Gas Plant Leased to Others			
7	105 Gas Plant Held for Future Use			
8	105.1 Production Properties Held for Future Use			
9	106 Completed Constr. Not Classified - Gas			
10	107 Construction Work in Progress - Gas			
11	108 (Less) Accumulated Depreciation	(40,838,429)	(44,317,113)	8%
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	<b>TOTAL Utility Plant</b>	<b>76,676,885</b>	<b>90,639,453</b>	<b>-15%</b>
20	<b>Other Property &amp; Investments</b>			
21	121 Nonutility Property	7,264,119	7,282,922	0%
22	122 (Less) Accum. Depr. & Amort. of Nonutil. Prop.	(3,971,835)	(4,278,948)	7%
23	123 Investments in Associated Companies			
24	123.1 Investments in Subsidiary Companies			
25	124 Other Investments	1,411,378	1,059,651	33%
26	125 Sinking Funds			
27	<b>TOTAL Other Property &amp; Investments</b>	<b>4,703,661</b>	<b>4,063,625</b>	<b>16%</b>
28	<b>Current &amp; Accrued Assets</b>			
29	131 Cash	2,360,226	976,176	142%
30	132-134 Special Deposits			
31	135 Working Funds			
32	136 Temporary Cash Investments			
33	141 Notes Receivable	95,666	92,415	4%
34	142 Customer Accounts Receivable	12,059,227	10,453,532	15%
35	143 Other Accounts Receivable	4,235,134	5,562,133	-24%
36	144 (Less) Accum. Provision for Uncollectible Accts.	(1,833,384)	(337,121)	-444%
37	145 Notes Receivable - Associated Companies			
38	146 Accounts Receivable - Associated Companies	594,148	2,357,699	-75%
39	151 Fuel Stock			
40	152 Fuel Stock Expenses Undistributed			
41	153 Residuals and Extracted Products			
42	154 Plant Materials and Operating Supplies	1,252,471	1,665,181	-25%
43	155 Merchandise			
44	156 Other Material & Supplies			
45	163 Stores Expense Undistributed			
46	164.1 Gas Stored Underground - Current	5,229,167	4,516,930	16%
47	165 Prepayments	1,582,968	1,383,819	14%
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	<b>TOTAL Current &amp; Accrued Assets</b>	<b>25,575,622</b>	<b>26,670,764</b>	<b>-4%</b>

**BALANCE SHEET**

Year: 2014

Account Number & Title		Last Year	This Year	% Change
1	<b>Assets and Other Debits (cont.)</b>			
2				
3	<b>Deferred Debits</b>			
4				
5	181 Unamortized Debt Expense	921,133	745,613	24%
6	182.1 Extraordinary Property Losses			
7	182.2 Unrecovered Plant & Regulatory Study Costs	122,746	82,746	48%
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	511,256	6,512,281	-92%
13	187 Deferred Losses from Disposition of Util. Plant			
14	188 Research, Devel. & Demonstration Expend.			
15	189 Unamortized Loss on Reacquired Debt			
16	190 Accumulated Deferred Income Taxes	603,304	1,081,712	-44%
17	191 Unrecovered Purchased Gas Costs	1,247,381	615,224	103%
18	192.1 Unrecovered Incremental Gas Costs			
19	192.2 Unrecovered Incremental Surcharges			
20	<b>TOTAL Deferred Debits</b>	<b>3,405,820</b>	<b>9,037,575</b>	<b>-62%</b>
21				
22	<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b>110,361,989</b>	<b>130,411,417</b>	<b>-15%</b>
Account Number & Title		Last Year	This Year	% Change
23	<b>Liabilities and Other Credits</b>			
24				
25	<b>Proprietary Capital</b>			
26				
27	201 Common Stock Issued	15	15	
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	11,497,199	15,067,199	-24%
33	213 (Less) Discount on Capital Stock			
34	214 (Less) Capital Stock Expense			
35	215 Appropriated Retained Earnings			
36	216 Unappropriated Retained Earnings	31,672,706	33,213,476	-5%
37	217 (Less) Reacquired Capital Stock			
38	<b>TOTAL Proprietary Capital</b>	<b>43,169,920</b>	<b>48,280,691</b>	<b>-11%</b>
39				
40	<b>Long Term Debt</b>			
41				
42	221 Bonds			
43	222 (Less) Reacquired Bonds			
44	223 Advances from Associated Companies			
45	224 Other Long Term Debt	22,375,000	21,875,000	2%
46	225 Unamortized Premium on Long Term Debt			
47	226 (Less) Unamort. Discount on L-Term Debt-Dr.			
48	<b>TOTAL Long Term Debt</b>	<b>22,375,000</b>	<b>21,875,000</b>	<b>2%</b>

## BALANCE SHEET

Year: 2014

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Total Liabilities and Other Credits (cont.)</b>			
3				
4	<b>Other Noncurrent Liabilities</b>			
5				
6	227 Obligations Under Cap. Leases - Noncurrent	1,862,938	1,674,714	11%
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	<b>TOTAL Other Noncurrent Liabilities</b>	<b>1,862,938</b>	<b>1,674,714</b>	<b>11%</b>
13				
14	<b>Current &amp; Accrued Liabilities</b>			
15				
16	231 Notes Payable	24,529,799	28,760,799	-15%
17	232 Accounts Payable	8,671,457	9,346,318	-7%
18	233 Notes Payable to Associated Companies		3,406,975	-100%
19	234 Accounts Payable to Associated Companies			
20	235 Customer Deposits	537,229	490,689	9%
21	236 Taxes Accrued	657,512	685,796	-4%
22	237 Interest Accrued	169,581	200,137	-15%
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	3,052,916	6,438,548	-53%
28	243 Obligations Under Capital Leases - Current	177,570	188,224	-6%
29	<b>TOTAL Current &amp; Accrued Liabilities</b>	<b>37,796,064</b>	<b>49,517,486</b>	<b>-24%</b>
30				
31	<b>Deferred Credits</b>			
32				
33	252 Customer Advances for Construction	1,016,671	1,034,474	-2%
34	253 Other Deferred Credits	1,058,404	2,052,554	-48%
35	255 Accumulated Deferred Investment Tax Credits	134,255	113,193	19%
36	256 Deferred Gains from Disposition Of Util. Plant			
37	257 Unamortized Gain on Reacquired Debt			
38	281-283 Accumulated Deferred Income Taxes	2,948,737	5,863,306	-50%
39	<b>TOTAL Deferred Credits</b>	<b>5,158,067</b>	<b>9,063,527</b>	<b>-43%</b>
40				
41	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>110,361,989</b>	<b>130,411,417</b>	<b>-15%</b>

**NOTE:** The balance sheet represents Energy West Inc.



MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2014

	Account Number & Title	Last Year	This Year	% Change
1	<b>Intangible Plant</b>			
2				
3	301 Organization			
4	302 Franchises & Consents			
5	303 Miscellaneous Intangible Plant			
6				
7	<b>TOTAL Intangible Plant</b>			
8				
9	<b>Production Plant</b>			
10				
11	<b>Production &amp; Gathering Plant</b>			
12				
13	325.1 Producing Lands			
14	325.2 Producing Leaseholds			
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			
23	331 Producing Gas Wells-Well Equipment			
24	332 Field Lines			
25				
26	334 Field Meas. & Reg. Station Equipment			
27	335 Drilling & Cleaning Equipment			
28	336 Purification Equipment			
29	337 Other Equipment			
30	338 Unsuccessful Exploration & Dev. Costs			
31				
32	<b>Total Production &amp; Gathering Plant</b>			
33				
34	<b>Products Extraction Plant</b>			
35	333 Field Compressor Station Equipment			
36	340 Land & Land Rights			
37	341 Structures & Improvements			
38	342 Extraction & Refining Equipment			
39	343 Pipe Lines			
40	344 Extracted Products Storage Equipment			
41	345 Compressor Equipment			
42	346 Gas Measuring & Regulating Equipment			
43	347 Other Equipment			
44				
45	<b>Total Products Extraction Plant</b>			
46				
47	<b>TOTAL Production Plant</b>			

**MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)**

Year: 2014

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

**MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)**

Year: 2014

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Distribution Plant</b>			
3				
4	374 Land & Land Rights	3,636	3,636	
5	375 Structures & Improvements			
6	376 Mains	952,970	952,970	
7	377 Compressor Station Equipment			
8	378 Meas. & Reg. Station Equipment-General			
9	379 Meas. & Reg. Station Equipment-City Gate			
10	380 Services	223,457	223,457	
11	381 Meters			
12	382 Meter Installations	27,003	27,003	
13	383 House Regulators			
14	384 House Regulator Installations	760	1,534	-50%
15	385 Industrial Meas. & Reg. Station Equipment			
16	386 Other Prop. on Customers' Premises			
17	387 Other Equipment			
18				
19	<b>TOTAL Distribution Plant</b>	<b>1,207,826</b>	<b>1,208,600</b>	<b>0%</b>
20				
21	<b>General Plant</b>			
22				
23	389 Land & Land Rights			
24	390 Structures & Improvements			
25	391 Office Furniture & Equipment		31,629	-100%
26	392 Transportation Equipment			
27	393 Stores Equipment			
28	394 Tools, Shop & Garage Equipment	34,343	34,343	
29	395 Laboratory Equipment			
30	396 Power Operated Equipment	6,300	6,300	
31	397 Communication Equipment			
32	398 Miscellaneous Equipment			
33	399 Other Tangible Property			
34				
35	<b>TOTAL General Plant</b>	<b>40,643</b>	<b>72,272</b>	<b>-44%</b>
36				
37	<b>TOTAL Gas Plant in Service</b>	<b>1,248,469</b>	<b>1,280,873</b>	<b>-3%</b>

## MONTANA DEPRECIATION SUMMARY

Year: 2014

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1	Production & Gathering				
2	Products Extraction				
3	Underground Storage				
4	Other Storage				
5	Transmission				
6	Distribution	1,280,873	363,525	393,678	
7	General				
8	<b>TOTAL</b>	<b>1,280,873</b>	<b>363,525</b>	<b>393,678</b>	<b>0</b>

## MONTANA MATERIALS &amp; SUPPLIES (ASSIGNED &amp; ALLOCATED)

SCHEDULE 21

	Account	Last Year Bal.	This Year Bal.	%Change
1				
2	151 Fuel Stock			0%
3	152 Fuel Stock Expenses - Undistributed			0%
4	153 Residuals & Extracted Products			0%
5	154 Plant Materials & Operating Supplies:			0%
6	Assigned to Construction (Estimated)			0%
7	Assigned to Operations & Maintenance			0%
8	Production Plant (Estimated)			0%
9	Transmission Plant (Estimated)			0%
10	Distribution Plant (Estimated)			0%
11	Assigned to Other			0%
12	155 Merchandise			0%
13	156 Other Materials & Supplies			0%
14	163 Stores Expense Undistributed			0%
15				
16				

## MONTANA REGULATORY CAPITAL STRUCTURE &amp; COSTS

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number D2010.9.90			
2	Order Number 7132C			
3				
4	Common Equity	55.00%	10.50%	5.78%
5	Preferred Stock			0.00%
6	Long Term Debt	45.00%	6.50%	2.93%
7	Other			0.00%
8	<b>TOTAL</b>	<b>100.00%</b>		<b>8.70%</b>
9				
10	Actual at Year End			
11				
12	Common Equity 48,280,690.00	68.82%	-1.47%	-1.012%
13	Preferred Stock			0.00%
14	Long Term Debt 21,875,000.00	31.18%	6.50%	2.027%
15	Other			0.00%
16	<b>TOTAL</b> 70,155,690.00	<b>100.00%</b>		<b>1.015%</b>

## STATEMENT OF CASH FLOWS

Year: 2014

	Description	Last Year	This Year	% Change
1				
2	Increase/(decrease) in Cash & Cash Equivalents:			
3				
4	<b>Cash Flows from Operating Activities:</b>			
5	Net Income	6,841,502	4,540,770	51%
6	Depreciation	3,765,061	4,467,704	-16%
7	Amortization			
8	Deferred Income Taxes - Net	4,160,324	2,681,130	55%
9	Investment Tax Credit Adjustments - Net	(21,062)	(21,062)	
10	Change in Operating Receivables - Net	(532,339)	(1,654,118)	68%
11	Change in Materials, Supplies & Inventories - Net	(544,539)	712,237	-176%
12	Change in Operating Payables & Accrued Liabilities - Net	1,605,564	(229,377)	800%
13	Allowance for Funds Used During Construction (AFUDC)			
14	Change in Other Assets & Liabilities - Net	(1,024,305)	(1,761,362)	42%
15	Other Operating Activities (explained on attached page)			
16	<b>Net Cash Provided by/(Used in) Operating Activities</b>	<b>14,250,206</b>	<b>8,735,922</b>	<b>63%</b>
17				
18	<b>Cash Inflows/Outflows From Investment Activities:</b>			
19	Construction/Acquisition of Property, Plant and Equipment	(13,222,779)	(15,288,120)	14%
20	(net of AFUDC & Capital Lease Related Acquisitions)			
21	Acquisition of Other Noncurrent Assets			
22	Proceeds from Disposal of Noncurrent Assets	932,570	10,764	8564%
23	Investments In and Advances to Affiliates	(35,000)		#DIV/0!
24	Contributions and Advances from Affiliates	328,682	1,143,278	-71%
25	Disposition of Investments in and Advances to Affiliates			
26	Other Investing Activities (explained on attached page)			
27	<b>Net Cash Provided by/(Used in) Investing Activities</b>	<b>(11,996,527)</b>	<b>(14,134,078)</b>	<b>15%</b>
28				
29	<b>Cash Flows from Financing Activities:</b>			
30	Proceeds from Issuance of:			
31	Long-Term Debt	(129,241)	3,444,106	-104%
32	Preferred Stock			
33	Common Stock			
34	Other:			
35	Net Increase in Short-Term Debt			
36	Other:			
37	Payment for Retirement of:			
38				
39	Preferred Stock			
40	Common Stock			
41	Other:			
42	Net Decrease in Short-Term Debt			
43	Dividends on Preferred Stock			
44	Dividends on Common Stock	(3,600,000)	(3,000,000)	-20%
45	Other Financing Activities- (Contribution from Parent Co.)	2,119,433	3,570,000	-41%
46	<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(1,609,808)</b>	<b>4,014,106</b>	<b>-140%</b>
47				
48	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>643,871</b>	<b>(1,384,050)</b>	<b>147%</b>
49	<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>1,716,355</b>	<b>2,360,226</b>	<b>-27%</b>
50	<b>Cash and Cash Equivalents at End of Year</b>	<b>2,360,226</b>	<b>976,176</b>	<b>142%</b>

NOTE: Cash flow statement represents Energy West, Inc.

LONG TERM DEBT

Year: 2014

	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	Senior Unsecured Notes (1)	June-07	April-17	13,000,000	13,000,000	13,000,000	6.16%		
2									
3	Term Note - Bank of America (1)			10,000,000	10,000,000	8,875,000	variable		
4									
5	(1) Describes debt outstanding of Energy West Incorporated, the parent company of Energy West Montana								
6									
7									
8									
9									
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14									
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29									
30									
31									
32	TOTAL			23,000,000	23,000,000	21,875,000			

PREFERRED STOCK

Year: 2014

	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										
12										
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29										
30										
31										
32	<b>TOTAL</b>									

**COMMON STOCK**

Year: 2014

	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	10,451,678	9.17			9.81	7.92	
5								
6	February	10,451,678	9.36			10.00	9.16	
7								
8	March	10,451,678	10.06	0.48		10.27	9.26	
9								
10	April	10,487,511	10.90			11.35	9.98	
11								
12	May	10,487,511	10.49			11.14	10.00	
13								
14	June	10,487,511	10.54	(0.14)		10.71	10.13	
15								
16	July	10,487,511	12.89			13.17	10.25	
17								
18	August	10,487,511	11.28			12.89	10.90	
19								
20	September	10,492,511	11.81	(0.14)		12.00	11.11	
21								
22	October	10,492,511	11.35			11.74	11.05	
23								
24	November	10,492,511	11.50			11.65	11.05	
25								
26	December	10,492,511	11.02	0.16		11.65	10.75	
27								
28								
29								
30								
31								
32	TOTAL Year End			0.36		100.00%		



**MONTANA EARNED RATE OF RETURN**

Year: 2014

	Description	Last Year	This Year	% Change
	Rate Base			
1				
2	101 Plant in Service	1,248,469	1,264,671	
3	108 (Less) Accumulated Depreciation	(333,389)	(378,602)	
4	<b>NET Plant in Service</b>	<b>915,080</b>	<b>886,069</b>	
5				
6	Additions			
7	154, 156 Materials & Supplies			
8	165 Prepayments			
9	Other Additions	3,561	3,468	
10	<b>TOTAL Additions</b>	<b>3,561</b>	<b>3,468</b>	
11				
12	Deductions			
13	190 Accumulated Deferred Income Taxes	234,393	245,758	
14	252 Customer Advances for Construction			
15	255 Accumulated Def. Investment Tax Credits			
16	Other Deductions			
17	<b>TOTAL Deductions</b>	<b>234,393</b>	<b>245,758</b>	
18	<b>TOTAL Rate Base</b>	<b>684,248</b>	<b>643,779</b>	
19				
20	<b>Net Earnings</b>	<b>7,662</b>	<b>(56,292)</b>	<b>-834.68%</b>
21				
22	<b>Rate of Return on Average Rate Base</b>	<b>1.120%</b>	<b>-8.744%</b>	<b>-880.87%</b>
23				
24	<b>Rate of Return on Average Equity</b>	<b>0.018%</b>	<b>-0.117%</b>	<b>-756.91%</b>
25				
26	Major Normalizing Adjustments & Commission			
27				
28				
29	Net Earnings from above		(56,292)	
30	Correction to income tax expense		62,828	
31	Adjusted Net Earnings		6,536	
32				
33				
34				
35				
36				
37	Ratemaking adjustments to Utility Operations			
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	<b>Adjusted Rate of Return on Average Rate Base</b>	<b>0.000%</b>	<b>1.015%</b>	
48				
49	<b>Adjusted Rate of Return on Average Equity</b>	<b>0.000%</b>	<b>0.000%</b>	

MONTANA COMPOSITE STATISTICS

Year: 2014

	Description	Amount
1		
2	Plant (Intrastate Only) (000 Omitted)	
3		
4	101 Plant in Service	1,281
5	107 Construction Work in Progress	
6	114 Plant Acquisition Adjustments	
7	105 Plant Held for Future Use	
8	154, 156 Materials & Supplies	
9	(Less):	
10	108, 111 Depreciation & Amortization Reserves	(394)
11	252 Contributions in Aid of Construction	
12		
13	<b>NET BOOK COSTS</b>	<b>887</b>
14	Revenues & Expenses (000 Omitted)	
15		
16		
17	400 Operating Revenues	365
18		
19	403 - 407 Depreciation & Amortization Expenses	30
20	Federal & State Income Taxes	68
21	Other Taxes	37
22	Other Operating Expenses	286
23	TOTAL Operating Expenses	421
24		
25	Net Operating Income	(56)
26		
27		
28	421.2 - 426.5 Other Deductions	(6)
29		
30	<b>NET INCOME</b>	<b>(50)</b>
31	Customers (Intrastate Only)	
32		
33	Year End Average:	
34	Residential	329
35	Commercial	50
36	415 - 421.1 Other Income	
37	Other	
38		
39		
40	<b>TOTAL NUMBER OF CUSTOMERS</b>	<b>379</b>
41	Other Statistics (Intrastate Only)	
42		
43		
44	Average Annual Residential Use (Mcf or Dkt)	62.04
45	Average Annual Residential Cost per (Mcf or Dkt) (\$) *	12.7
46	* Avg annual cost = [(cost per Mcf or Dkt x annual use) + (mo. svc chrg x 12)]/annual use	
47	Average Residential Monthly Bill	51.60
48	Gross Plant per Customer	3,380

MONTANA CUSTOMER INFORMATION

Year: 2014

	City/Town	Population (Include Rural)	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1	Cascade	753	329	50		379
2						
3						
4						
5						
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30						
31						
32	<b>TOTAL Montana Customers</b>	753	329	50		379

MONTANA EMPLOYEE COUNTS

Year: 2014

	Department	Year Beginning	Year End	Average
1	None			
2				
3				
4				
5				
6				
7				
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46				
47				
48				
49				
50	<b>TOTAL Montana Employees</b>			

MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)

Year: 2014

	Project Description	Total Company	Total Montana
1	ENERGY WEST - WEST YELLOWSTONE	80,484	
2	ENERGY WEST - MONTANA	2,623,176	
3	ENERGY WEST - CASCADE		
4	OTHER		
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
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47			
48			
49			
50	<b>TOTAL</b>	2,703,660	

**TRANSMISSION SYSTEM - TOTAL COMPANY & MONTANA**

Year: 2014

<b>Total Company</b>				
		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	<b>TOTAL</b>			

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

## DISTRIBUTION SYSTEM - TOTAL COMPANY &amp; MONTANA

Year: 2014

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

Montana				
	Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt	
14	January	5	37,693	656,813
15	February	5	47,531	775,122
16	March	1	45,024	608,001
17	April	12	22,899	380,146
18	May	11	17,145	253,651
19	June	18	11,058	190,345
20	July	1	6,486	159,087
21	August	23	9,059	159,710
22	September	10	15,430	220,055
23	October	2	18,697	306,122
24	November	13	40,494	664,603
25	December	29	21,706	328,256
26	<b>TOTAL</b>			<b>4,701,911</b>

**STORAGE SYSTEM - TOTAL COMPANY & MONTANA**

Year: 2014

		<b>Total Company</b>						
		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							
3	March							
4	April							
5	May							
6	June							
7	July							
8	August							
9	September							
10	October							
11	November							
12	December							
13	<b>TOTAL</b>							

		<b>Montana</b>						
		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								
23	October							
24	November							
25	December							
26	<b>TOTAL</b>							



SOURCES OF GAS SUPPLY

Year: 2014

	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	Energy West Montana	35,950	36,988	\$5.1941	\$6.2887
2	Missouri River Propane	789	759	\$39.3026	\$34.4580
3					
4					
5					
6					
7					
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31					
32					
33	<b>Total Gas Supply Volumes</b>	<b>36,738</b>	<b>37,748</b>	<b>\$5.9261</b>	<b>\$6.8553</b>

**MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS**

Year: 2014

	Program Description	Current Year Expenditures	Last Year Expenditures	% Change	Planned Savings (Mcf or Dkt)	Achieved Savings (Mcf or Dkt)	Difference
1	See Energy West MT Report						
2							
3							
4							
5							
6							
7							
8							
9							
10							
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26							
27							
28							
29							
30							
31							
32	<b>TOTAL</b>						

**MONTANA CONSUMPTION AND REVENUES**

Year: 2014

	Sales of Gas	Operating Revenues		MCF Sold		Avg. No. of Customers	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Residential	203,708	177,838	20,410	19,869	329	322
2	Commercial - Small	43,075	41,992	4,220	4,214	43	43
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	<b>TOTAL</b>	<b>\$246,783</b>	<b>\$219,831</b>	<b>24,630</b>	<b>24,083</b>	<b>372</b>	<b>365</b>
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	<b>Transportation of Gas</b>						
19							
20	Utilities						
21	Industrial						
22	Other	118,357	102,015	0.1	0.0	7	7
23							
24					0.012417	7	7

**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						
3						
4						
5						
6						
7						
8	Market Transformation					
9						
10						
11						
12						
13						
14						
15	Research & Development					
16						
17						
18						
19						
20						
21						
22	Low Income					
23						
24						
25						
26						
27						
28						
29	Other					
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42	Total					
43	Number of customers that received low income rate discounts					
44	Average monthly bill discount amount (\$/mo)					
45	Average LIEAP-eligible household income					
46	Number of customers that received weatherization assistance					
47	Expected average annual bill savings from weatherization					
48	Number of residential audits performed					

**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						
4						
5						
6						
7						
8	Demand Response					
9						
10						
11						
12						
13						
14						
15	Market Transformation					
16						
17						
18						
19						
20						
21						
22	Research & Development					
23						
24						
25						
26						
27						
28						
29	Low Income					
30						
31						
32						
33						
34						
35	Other					
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48	Total					