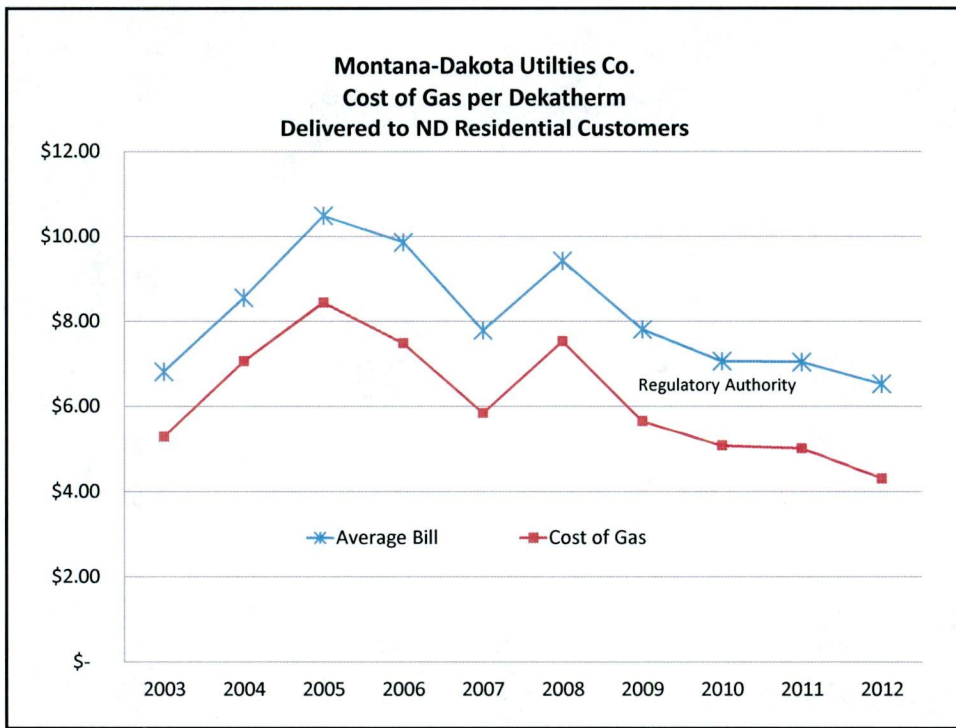
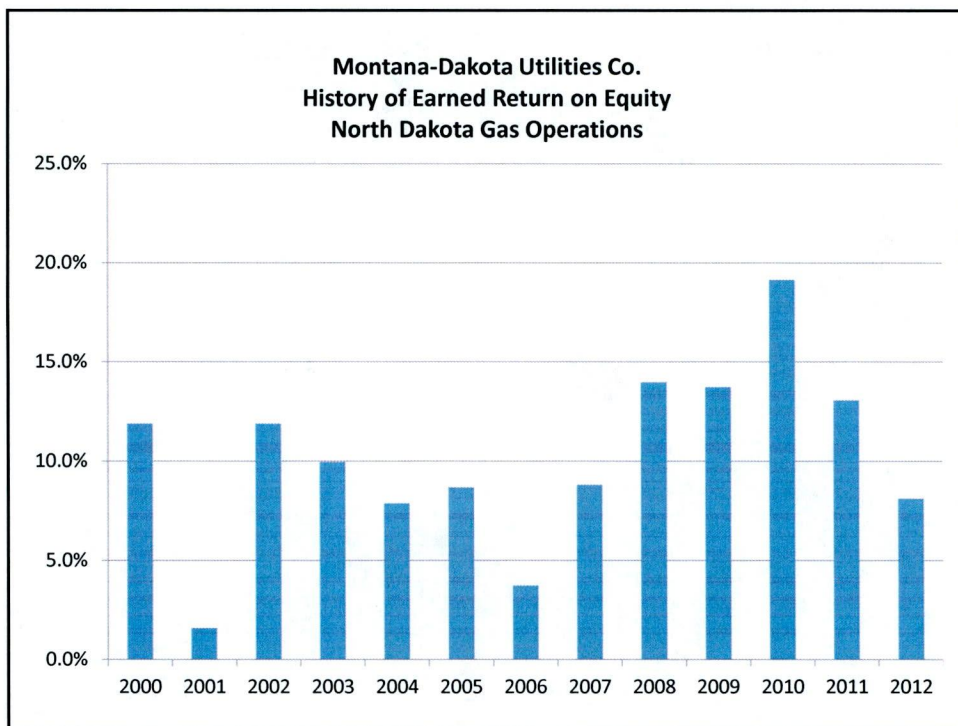
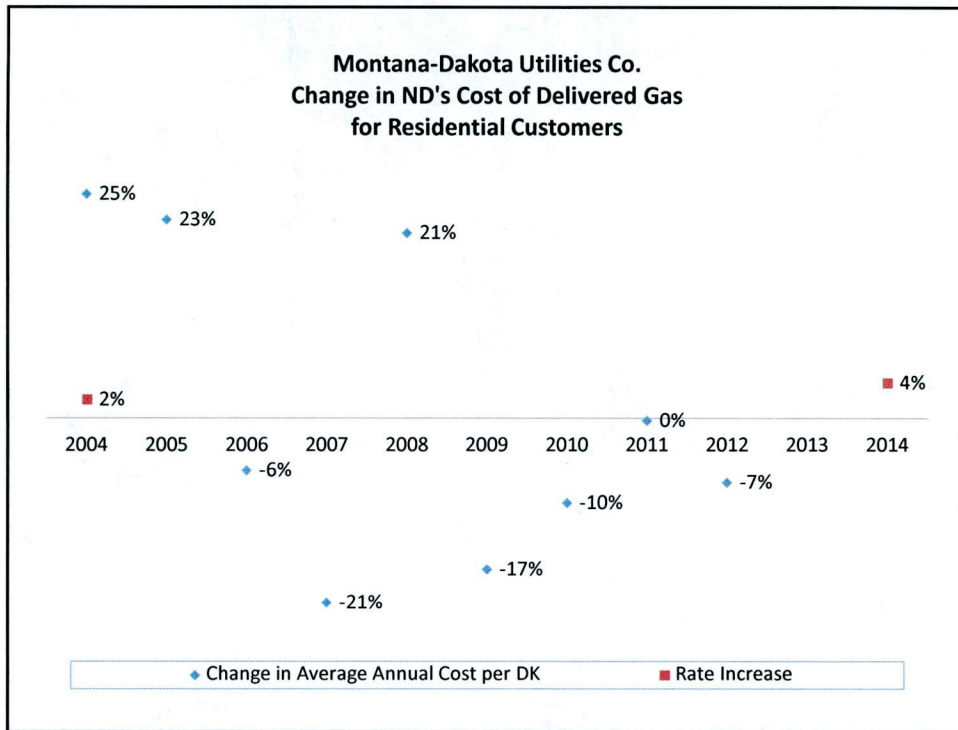


# Montana-Dakota Utilities Co. 2014 ND Gas Rate Increase Case No. PU-13-803

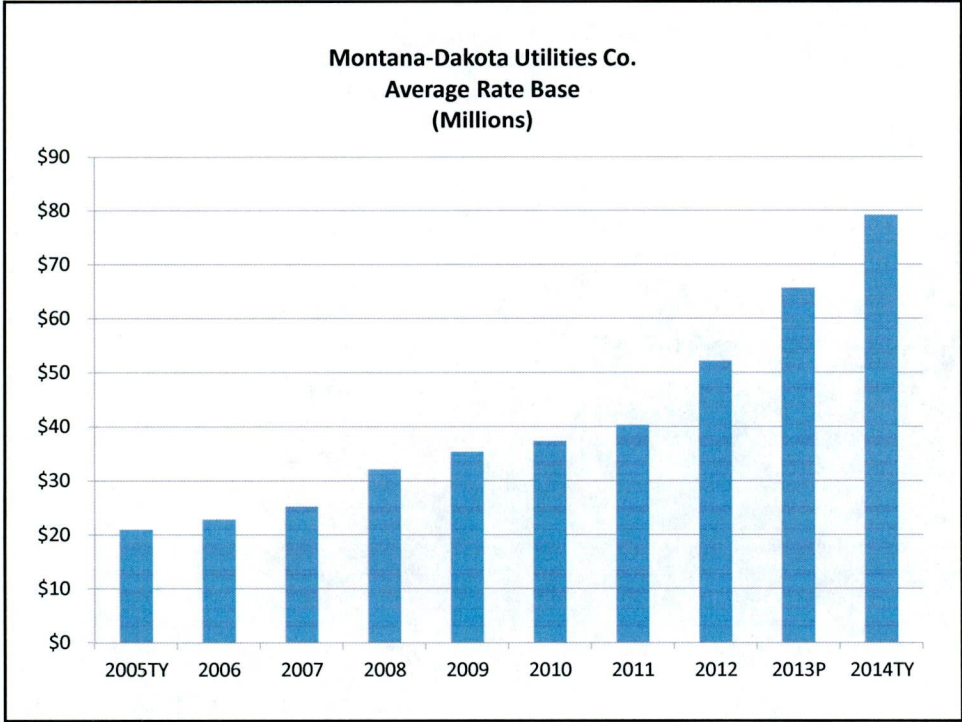
Mike Diller, Advocacy Staff  
November 13, 2013  
Informal Hearing



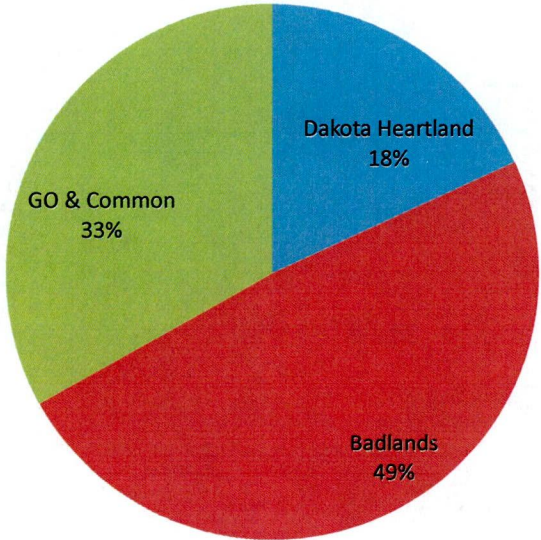


# MDU's Requested Rate Increase

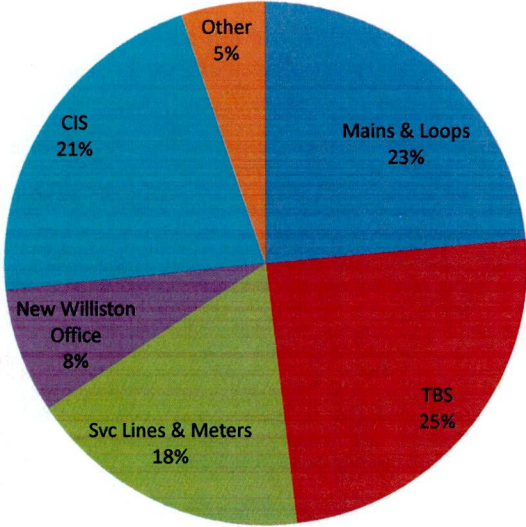
<u>2014 Test Year</u>	<u>(000's)</u>
Rate Base	\$79,244
ROR Requested	<u>7.88%</u>
Return Requested	\$6,245
Projected Return @ Current Rates	<u>\$2,001</u>
Return Deficiency	\$4,244
Tax Factor	<u>62.06%</u>
Revenue Deficiency	\$6,839

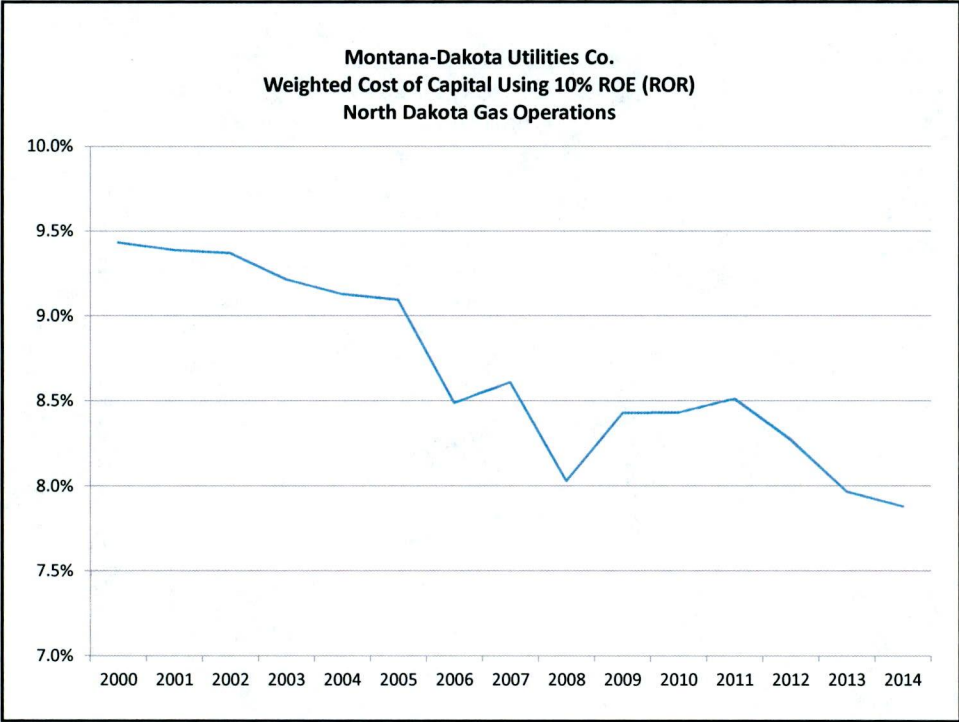
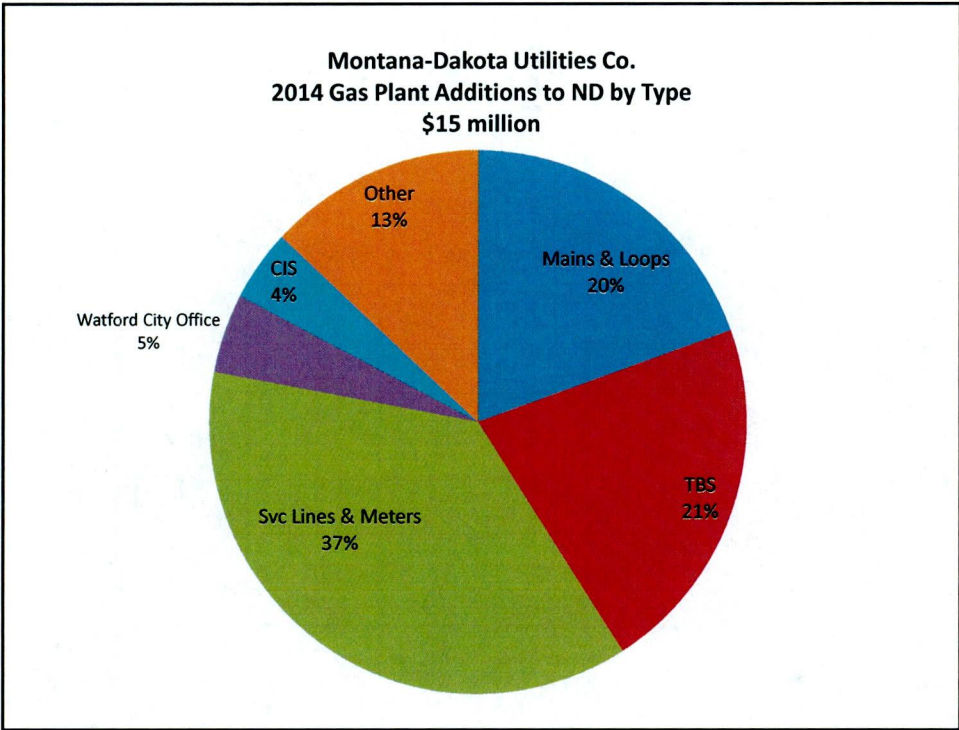


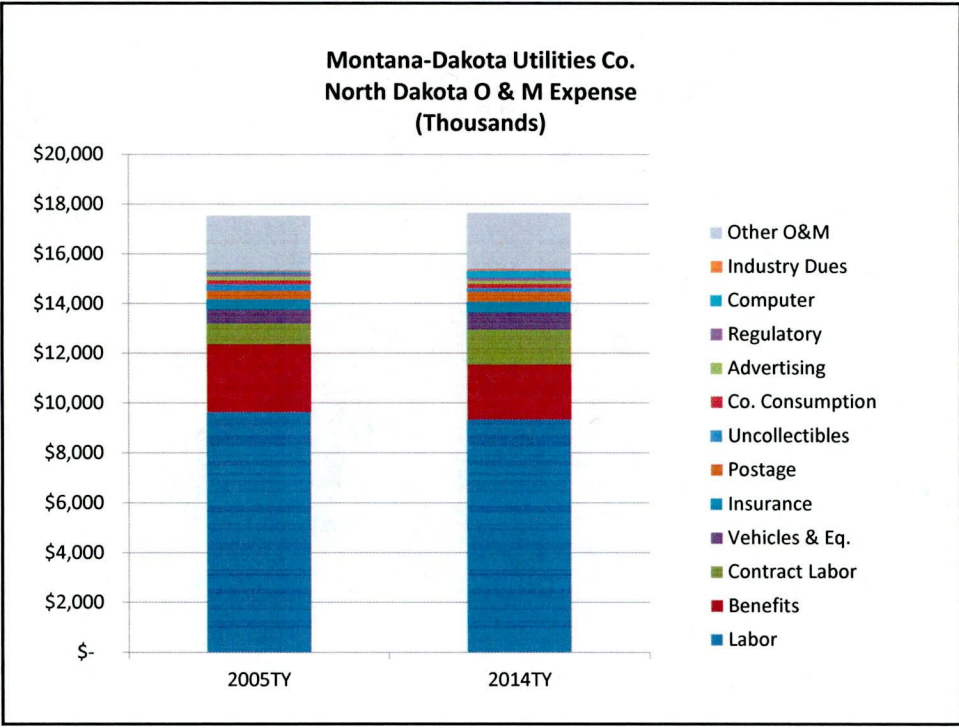
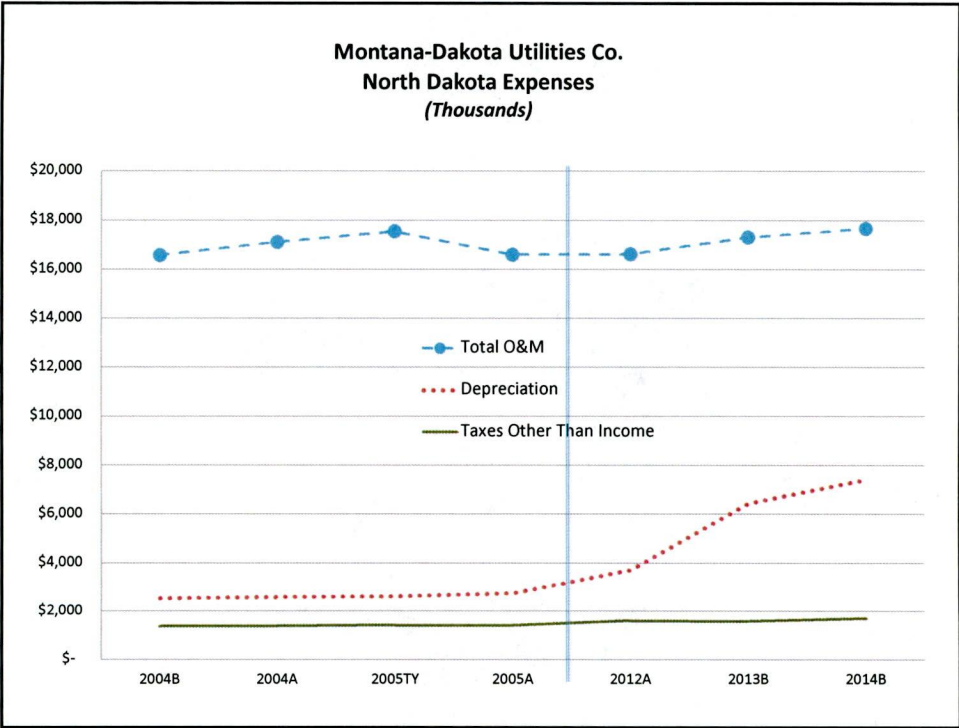
**Montana-Dakota Utilities Co.  
2013 & 2014 Plant Additions by Region**

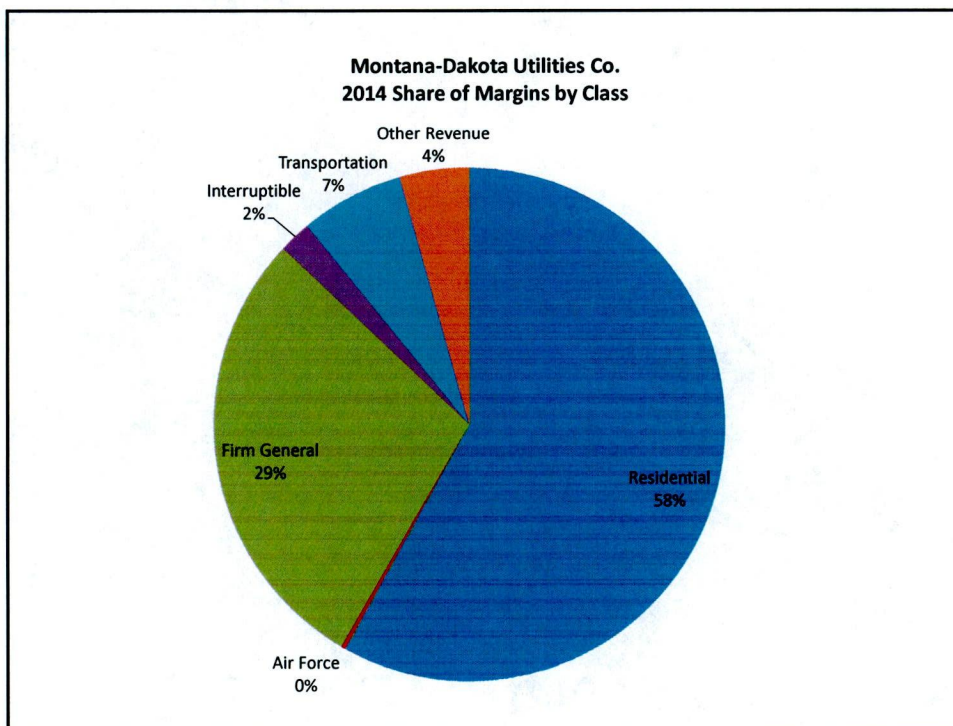
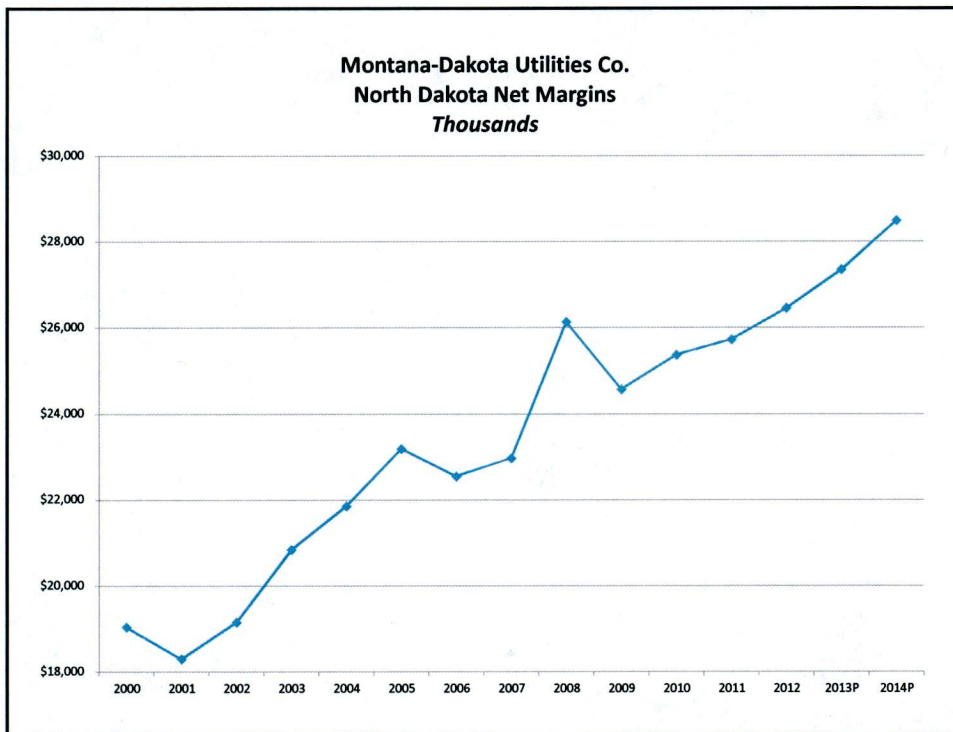


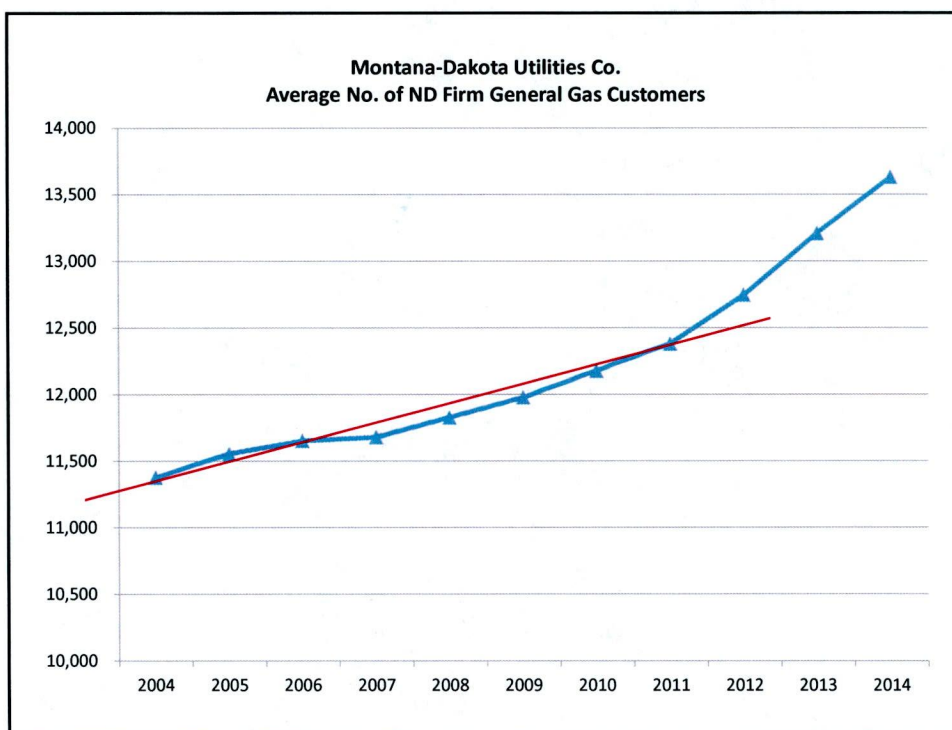
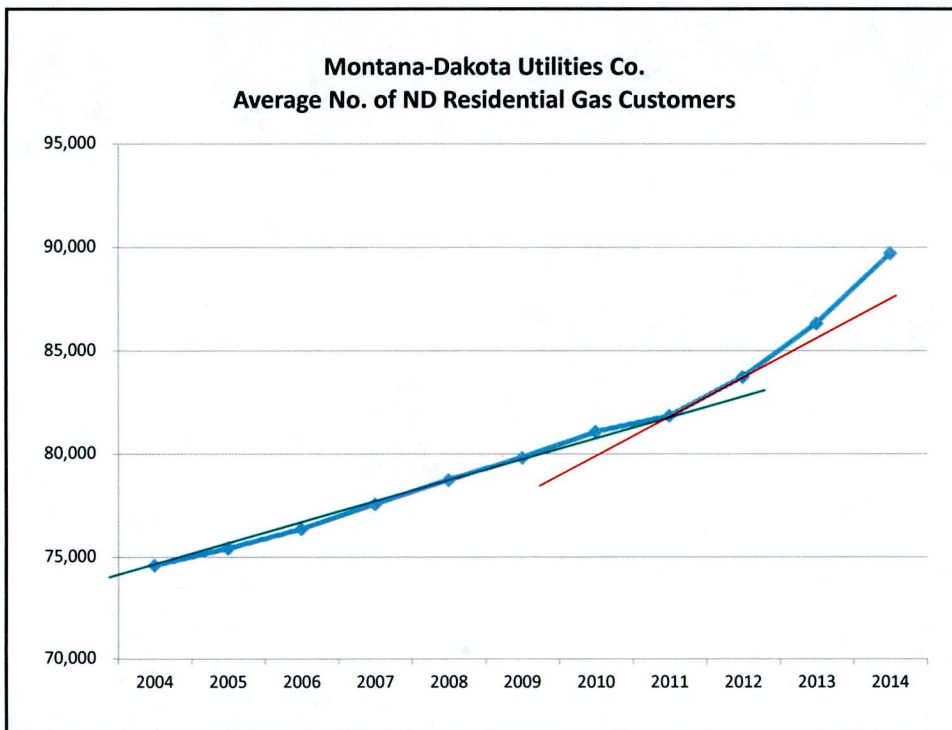
**Montana-Dakota Utilities Co.  
2013 Gas Plant Additions to ND by Type  
\$31 million**

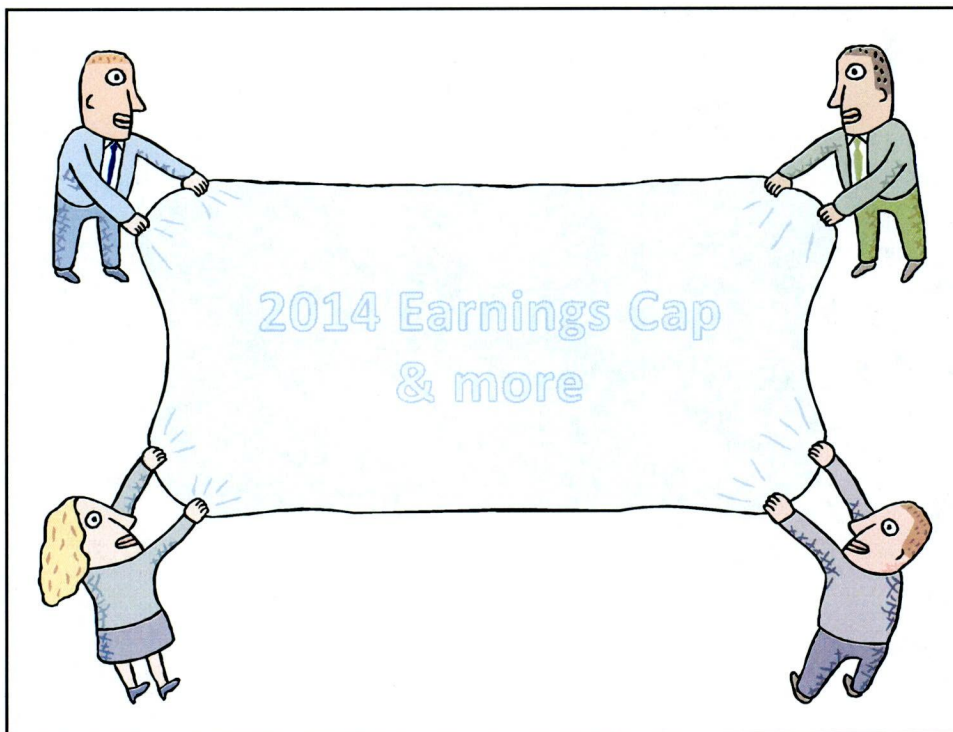












## Summary of Rationale for Settlement

- Infrastructure Deployment Outrunning New Revenue Streams
- Good Management Should be Rewarded
  - Lower Cost of Capital
  - Consolidation Savings through Mergers and Acquisitions
  - Fringe Benefit Cost Management
- Reasonable Forecasts
- Reasonable Overall Rate Increase
- Other Benefits Captured for Ratepayers
- (Rate Design not Included)