



MONTANA-DAKOTA UTILITIES CO.
NORTH DAKOTA PUBLIC SERVICE COMMISSION
SET 2 - DATA REQUESTS
ISSUED OCTOBER 6, 2017
CASE NO. PU-17-295

2.46. Refer to Statement L page 18 of 22 - Loss on Sale of Employee Housing:

- a) How many housing units in total were provided by the Company?
- b) What was the cost for each housing unit?
- c) Please provide the calculation of how the Company developed the loss on its housing as of December 31, 2016.
- d) How did the Company approach the decision to dispose of all housing units?
- e) The average balance on the loss on sale of employee housing is shown as \$397,173. The amortization balance is \$39,717. This computes to a 10-year amortization period. Should the amortization balance be \$19,859?

Response:

- a) The Company had 51 housing units and developed land on which several housing units were located.
- b-c) Please see Response No. 2.46 Attachment A.
- d) Please see the testimony of Mr. Jacobson beginning on page 20, line 3. The availability of housing units in the region increased enough to allow employees to be able to find permanent housing. Because housing was no longer a barrier to employment, the Company made a decision to dispose of all housing units.
- e) No. The 20 year amortization of \$39,717/year was based on the projected loss on the sale of employee housing on December 31, 2017 of \$794,345. Please see Statement L, page 18. The average balance of \$397,173 is the average of a \$0 balance as of December 31, 2016, because the Company did not have Commission approval to include the balance in rate base, and the December 31, 2017 balance of \$794,735.

**Bakken Employee Housing Analysis
As of December 31, 2016**

Asset Id	In-Service	Location	Cost	NBV	Net Proceeds	Actual	Retire Mo.	North Dakota
						Loss		Gas
215775	July 2012	Dickinson	69,772.21	64,146.82	40,000.00	(24,146.82)	3/31/2016	(3,876.28)
215511	Sept 2012	Dickinson	70,259.06	64,857.89	32,857.60	(32,000.29)	3/31/2016	(5,137.00)
215511	Sept 2012	Dickinson	70,259.06	64,857.89	30,550.00	(34,307.89)	3/31/2016	(5,507.44)
215511	Sept 2012	Dickinson	70,259.06	60,371.47	26,063.57	(34,307.90)	3/31/2016	(5,507.44)
215957	May 2012	Dickinson	68,538.26	62,755.34	40,000.01	(22,755.33)	3/31/2016	(3,652.91)
218536	Dec 2012	Dickinson	61,472.46	57,092.55	30,644.45	(26,448.10)	3/31/2016	(4,245.71)
23531669	June 2013	Dickinson	58,372.75	54,870.39	33,219.99	(21,650.40)	3/31/2016	(3,475.53)
23531669	June 2013	Dickinson	58,372.75	54,870.39	30,644.45	(24,225.94)	3/31/2016	(3,888.98)
23531674	June 2013	Dickinson	3,964.15	3,726.30	-	(3,726.30)	3/31/2016	(598.18)
215440	June 2012	Kenmare	164,475.84	150,363.81	141,857.70	(8,506.11)	3/31/2016	
23531654	June 2013	Watford City	73,915.50	69,480.57	37,430.00	(32,050.57)	3/31/2016	(9,072.01)
23531664	July 2013	Williston	57,414.35	54,077.14	38,500.00	(15,577.14)	3/31/2016	(4,409.16)
215957	May 2012	Dickinson	68,538.26	62,626.84	31,250.58	(31,376.26)	4/30/2016	(5,036.82)
23531612	July 2013	Dickinson	59,275.89	55,719.33	21,480.45	(34,238.88)	4/30/2016	(5,496.36)
215803	Sept 2012	Williston	59,558.35	54,644.79	21,620.00	(33,024.79)	5/31/2016	(9,347.77)
215774	July 2012	Dickinson	82,453.37	74,568.77	23,773.24	(50,795.53)	11/30/2016	(8,154.19)
215775	July 2012	Dickinson	69,772.21	63,100.24	25,559.57	(37,540.67)	11/30/2016	(6,026.39)
215511	Sept 2012	Dickinson	70,259.06	63,804.01	28,497.02	(35,306.99)	11/30/2016	(5,667.82)
215957	May 2012	Dickinson	68,538.26	61,727.27	30,550.00	(31,177.27)	11/30/2016	(5,004.88)
215957	May 2012	Dickinson	68,538.26	61,727.27	26,938.99	(34,788.28)	11/30/2016	(5,584.55)
23531617	July 2013	Dickinson	1,772.13	1,642.54	-	(1,642.54)	11/30/2016	(263.68)
15991563	July 2013	Stanley	60,564.00	56,135.26	24,622.00	(31,513.26)	11/30/2016	(8,919.92)
215776	June 2012	Tioga	56,274.05	50,787.33	15,849.28	(34,938.05)	11/30/2016	(9,889.32)
208459	Aug 2011	Watford City	76,560.06	67,659.95	21,485.84	(46,174.11)	11/30/2016	(13,069.72)
16030085	Jan 2012	Watford City	86,209.52	76,995.87	21,485.84	(55,510.03)	11/30/2016	(15,712.28)
16030085	Jan 2012	Watford City	86,209.51	76,995.87	26,320.00	(50,675.87)	11/30/2016	(14,343.96)
23531659	Aug 2013	Watford City	74,993.54	69,650.25	21,485.84	(48,164.41)	11/30/2016	(13,633.08)
23531659	Aug 2013	Watford City	74,993.54	69,650.25	23,500.00	(46,150.25)	11/30/2016	(13,062.97)
208363	July 2011	Williston	73,567.87	64,877.66	29,100.00	(35,777.66)	11/30/2016	(10,126.98)
208363	July 2011	Williston	73,567.87	64,877.66	24,040.00	(40,837.66)	11/30/2016	(11,559.22)
214393	Apr 2012	Williston	89,047.02	80,197.97	26,311.14	(53,886.83)	11/30/2016	(15,252.83)
215803	Sept 2012	Williston	59,558.35	54,086.43	25,380.00	(28,706.43)	11/30/2016	(8,125.44)
215803	Sept 2012	Williston	59,558.35	54,086.43	22,090.00	(31,996.43)	11/30/2016	(9,056.69)
215803	Sept 2012	Williston	59,558.35	54,086.43	22,490.00	(31,596.43)	11/30/2016	(8,943.47)
215803	Sept 2012	Williston	59,558.35	54,086.43	21,895.00	(32,191.43)	11/30/2016	(9,111.88)
215803	Sept 2012	Williston	59,558.35	54,086.43	22,490.00	(31,596.43)	11/30/2016	(8,943.47)
23531973	Sept 2013	Williston	62,654.14	58,307.51	21,620.00	(36,687.51)	11/30/2016	(10,384.51)
23531973	Sept 2013	Williston	62,654.14	58,307.51	25,380.00	(32,927.51)	11/30/2016	(9,320.23)
23532023	Dec 2013	Williston	87,519.81	81,940.42	23,500.00	(58,440.42)	11/30/2016	(16,541.74)
23531612	July 2013	Dickinson	59,275.89	55,497.05	21,480.45	(34,016.60)	6/30/2016	(5,460.68)
214393	Apr 2012	Williston	89,047.02	81,032.79	27,269.69	(53,763.10)	6/30/2016	(15,217.81)
215803	Sept 2012	Williston	59,558.35	54,644.79	25,190.00	(29,454.79)	6/30/2016	(8,337.27)
215803	Sept 2012	Williston	59,558.35	54,644.79	26,100.00	(28,544.79)	6/30/2016	(8,079.69)
215803	Sept 2012	Williston	59,558.35	54,644.79	25,190.00	(29,454.79)	6/30/2016	(8,337.27)
215803	Sept 2012	Williston	59,558.35	54,644.79	25,190.00	(29,454.79)	6/30/2016	(8,337.27)
215576	Sept 2012	Williston	98,960.16	90,795.95	27,560.00	(63,235.95)	6/30/2016	(17,899.13)
23531973	Sept 2013	Williston	62,654.14	58,894.89	27,040.00	(31,854.89)	6/30/2016	(9,016.62)
23532023	Dec 2013	Williston	87,519.81	82,760.92	24,270.00	(58,490.92)	6/30/2016	(16,556.03)
202972	Nov 2010	Williston	82,155.25	71,064.29	24,921.27	(46,143.02)	12/31/2016	(13,060.92)
214393	Apr 2012	Williston	89,047.02	80,031.01	24,921.27	(55,109.74)	12/31/2016	(15,598.98)
16029990	Sept 2012	Williston	85,989.13	77,927.65	24,921.27	(53,006.38)	12/31/2016	(15,003.62)
23531664	July 2013	Williston	57,414.35	53,108.27	26,320.00	(26,788.27)	12/31/2016	(7,582.50)
215802	Sept 2012	Williston	1,291,994.83	1,170,870.31	-	(1,170,870.31)	12/31/2016	(331,418.43)
TOTAL 2016 Loss Entries			4,880,679.04	4,448,409.55	1,440,856.51	(3,007,553.04)		(785,857.04)