

Section K

20:10:13:92. Schedule K-4 -- Working Papers for an Allowance for Current Tax Greater Than Tax Calculated at Consolidated Rate. If the utility claims an allowance for current tax in its cost of service which would be greater than the federal income tax calculated at the consolidated tax rate or taxes as a percentage of total taxable income of individual companies with positive taxable income, full disclosure thereof shall be made, including the allocation among utility and nonutility departments of the tax payable and the assignment of deductions or tax benefits relied upon, or both.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
CURRENT INCOME TAX
For the Test Year Ended September 30, 2013

Line No.	Description
1	As shown in Statement K, page 1, current federal income tax per books is calculated on a separate return basis at the statutory rate of 35%.
2	

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section K

20:10:13:93. Schedule K-5 -- Working Papers for Claimed Allowances for State Income Taxes. In support of the claimed allowances for income taxes paid state governments, the utility shall submit schedule K-5 showing the income tax paid each state in the current or previous year covered by the test period, including the effect of liberalized depreciation on the taxes paid.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
STATE INCOME TAXES
For the Test Year Ended September 30, 2013

<u>Line No.</u>	<u>State</u>	<u>Amount</u>
1	Montana	\$ 3,403
2		
3	Wyoming	N/A
4		
5	South Dakota	N/A
6		
7	Nebraska	N/A

Section L

20:10:13:94. Statement L – Taxes Other Than Income. For the test period, other taxes shall be classified under the headings of federal, state, and local, with subclassifications showing kind of taxes. The statement shall show separately, by columns, the following:

- (1) Tax expense per books for the test period;
- (2) Claimed adjustments, if any, to amounts booked;
- (3) Total adjusted taxes claimed.

Items required by § 20:10:13:96 shall be submitted as a part of statement L.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
TAXES OTHER THAN FEDERAL INCOME TAX
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	(a) Per Books	(b) Pro Forma Adjustments	(c) (a) + (b) Adjusted Total
1	Federal Taxes			
2	FICA Tax	\$ 3,007,210	\$ 21,283	\$ 3,028,493
3	Unemployment Tax	20,987	487	21,474
4				
5				
6	State Taxes			
7	Unemployment Tax	80,114	487	80,601
8	Montana Electric Energy Tax	15,777		15,777
9	Wyoming Franchise Taxes	64,059		64,059
10	South Dakota PUC Tax	211,595	38,643 (1)	250,238
11	Wyoming Sales Tax	(5,843)	5,843	-
12				
13	Local Taxes			
14	Property	5,042,451	0	5,042,451
15				
16	TOTIT- Payroll Loading	(3,077,071)		(3,077,071)
17				
18	Total Other Taxes	<u>\$ 5,359,279</u>	<u>\$ 66,743</u>	<u>\$ 5,426,022</u>

NOTE (1): Additional Revenue required multiplied by applicable Mill Levy Tax.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section L

20:10:13:95. Schedule L-1 -- Working Papers for Adjusted Taxes. Schedule L-1 shall show computations of adjusted taxes claimed in statement L.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
ADJUSTMENTS OTHER THAN FEDERAL INCOME TAX
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	FICA Tax Adjustment		
2	Net O&M Payroll Changes	Sched. H-1, Ln.8 - Ln 5	\$ 278,204
3	FICA Tax Rate		7.65%
4	Additional FICA Tax on O&M Wage Increase	Ln.2 * Ln.3	<u>21,283</u>
5			
6	Adjustment to FICA Tax	Ln.4	<u>\$ 21,283</u>
7			
8	Unemployment Tax Adjustment		
9	O&M Payroll Changes	Sched. H-1, Ln.8 - Ln 5	278,204
10	Estimated Blended Tax Rate		<u>0.35%</u>
11			
12	Adjustment to Unemployment Tax	Ln.9 * Ln.10	<u>\$ 974</u>
13			
14	Federal Adjustment	Ln.12 / 2	\$ 487
15	State Adjustment	Ln.12 / 2	\$ 487

Section M

20:10:13:96. Statement M -- Overall Cost of Service. Statement M shall show for the test period the overall cost of service per books for the filing public utility's utility operations during the test period, including allowances for return and income taxes based upon the rate of return claimed, together with the operating revenues of the filing public utility for the test period. If the filing public utility claims any adjustments to book figures, the cost of service based upon the claimed adjustments shall be shown on a separate schedule. If the amount of the filing public utility's total utility operating revenue differs significantly from its overall cost of service, including allowances for claimed return and income taxes, the filing public utility shall show the amounts available for return and taxes on income and return expressed as a percentage of rate base.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
OVERALL COST OF SERVICE
For the Pro Forma Test Year Ended September 30, 2013

Statement M
Page 1 of 1

Line No.	Description	Reference	(a) Per Books	(b) Pro Forma Adjustments	(c) (a) + (b) Adjusted Total	(d) Additional Revenue Required	(e) (c) + (d) Adjusted Rate of Return	
1	Operating Revenue							
2	Sales of Electricity	Stmt. I pg. 1 Ln. 14	\$ 215,699,899	\$ (59,355,396)	\$ 156,344,503	\$ 12,208,401	\$ 168,552,904	
3	Other Operating Revenue	Stmt. I pg. 1 Ln. 25	<u>33,237,836</u>	<u>(4,638,529)</u>	<u>28,599,307</u>	<u>-</u>	<u>28,599,307</u>	
4	Total Operating Revenue		248,937,735	(63,993,925)	184,943,810	12,208,401	197,152,212	
5								
6	Operating Expenses							
7	Operation and Maintenance	Stmt. H Ln. 136	154,728,047	(74,747,077)	79,980,969	-	79,980,969	
8	Depreciation	Stmt. J Ln. 20	27,909,862	3,584,757	31,494,618	-	31,494,618	
9	Amortization	Stmt. J Ln. 22	97,406	4,300,416	4,397,822	-	4,397,822	
10	Taxes Other Than Income Tax	Stmt. L Ln. 18	5,359,279	66,743	5,426,022	-	5,426,022	
11	State Income Tax	Sched. K-5 Ln. 1	<u>3,403</u>	<u>-</u>	<u>3,403</u>	<u>-</u>	<u>3,403</u>	
12	Total Operating Expenses		<u>188,097,996</u>	<u>(66,795,162)</u>	<u>121,302,834</u>	<u>-</u>	<u>121,302,834</u>	
13								
14	Operating Income Before Tax	Ln. 4 - Ln. 12	60,839,739	2,801,238	63,640,976	12,208,401	75,849,377	
15								
16	Federal Income Tax	Stmt. K. pg. 2 Ln. 68	14,025,480	1,128,515	15,153,995	4,272,940	19,426,935	
17								
18	Return (Operating Income)	Ln. 14 - Ln. 16	<u>46,814,259</u>		<u>48,486,981</u>		<u>56,422,442</u>	
19								
20	Rate of Return	Ln. 18 / Ln.29	<u>8.83%</u>		<u>7.29%</u>		<u>8.48%</u>	
21								
22	Rate Base							
23	Plant in Service	Stmt. D pg. 2 Ln. 24	1,016,264,830	92,428,757	1,108,693,587	-	1,108,693,587	
24	Accumulated Depreciation	Stmt. E pg. 1	(357,675,969)	46,889,614	(310,786,355)	-	(310,786,355)	
25	Accumulated Amort. Acq. Adjustment	Stmt. E pg. 2 Ln. 15	(3,156,280)	-	(3,156,280)	-	(3,156,280)	
26	Working Capital	Stmt. F Ln 9	16,814,753	1,009,516	17,824,269	-	17,824,269	
27	Other Rate Base Reductions	Sched M-1 Ln. 59	<u>(141,965,577)</u>	<u>(5,250,660) (1)</u>	<u>(147,216,237)</u>	<u>-</u>	<u>(147,216,237)</u>	
28								
29	Total Rate Base	Sum (Ln.23:Ln.27)	<u>\$ 530,281,756</u>	<u>\$ 135,077,228</u>	<u>\$ 665,358,984</u>	<u>\$ -</u>	<u>\$ 665,358,984</u>	
30								
31	Note 1: Schedule M-1 Ln.54 (o) + (q) + Schedule M-2 Ln 38 + Schedule J-2 Ln. 10 + Schedule J-3 Ln. 16 + Schedule H-20 Ln. 11							

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section M

Schedule M-1 – Other Rate Base Reductions. This schedule shows reductions to rate base, based on a twelve month average balance, by FERC account. The other rate base reduction amounts related specifically to the BHP CUS are on line 66. The total of these rate base reductions are on Statement M, Line 27.

BLACK HILLS POWER, INC.
OTHER RATE BASE REDUCTION
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Account	Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
			September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013
1	182316	Regulatory Asset - Pension	\$ 27,283,818	\$ 27,283,818	\$ 27,283,818	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304
2	182385	Regulatory Asset - Retiree H.C.	317,892	317,892	317,892	317,892	317,892	317,892	1,170,431	1,170,431	1,170,431	1,170,431
3	182390	Regulatory Asset - AFUDC	8,552,058	8,552,058	8,552,058	8,459,622	8,459,622	8,459,622	8,446,884	8,446,884	8,446,884	8,456,800
4	182395	Regulatory Asset - Unit of Property	7,418,342	7,418,342	7,418,342	8,018,796	8,018,796	8,018,796	8,368,975	8,368,975	8,368,975	8,719,155
5		Total Regulatory Assets	43,572,110	43,572,110	43,572,110	43,479,613	43,479,613	43,479,613	44,669,595	44,669,595	44,669,595	45,029,691
6												
7	190175	DT1000 - Vacation	226,932	226,932	226,932	200,410	200,410	200,410	314,334	314,334	314,334	282,163
8	190175	DT1010 - Bad Debt Reserve	547,808	547,808	547,808	547,808	547,808	547,808	547,808	547,808	547,808	547,808
9	190175	DT1020 - EE Group Insurance	78,005	78,005	78,005	63,142	63,142	63,142	63,142	63,142	63,142	63,142
10	190175	DT1050 - Workers Comp	217,411	217,411	217,411	126,353	126,353	126,353	144,896	144,896	144,896	164,125
11	190175	DT1070 - Results Comp Plan	536,810	536,810	536,810	704,083	704,083	704,083	240,704	240,704	240,704	322,922
12	190175	DT4165 - NOL Carryforward	-	-	-	-	17,266,000	17,266,000	2,200,000	2,200,000	7,206,623	4,400,000
13	190520	DT2020 - Retiree Healthcare	3,097,900	3,097,900	3,097,900	3,126,435	3,126,435	3,126,435	3,087,620	3,087,620	3,087,620	3,054,869
14	190520	DT2025 - PEP Plan	518,020	518,020	518,020	474,783	474,783	474,783	479,155	479,155	479,155	483,527
15	190520	DT2065 - Pension (AOCI)	14,691,286	14,691,286	14,691,286	(1)	(1)	(1)	(1)	(1)	(1)	(1)
16	190520	DT2070 - PEP (AOCI)	263,123	263,123	263,123	355,645	355,645	355,645	349,835	349,835	349,835	344,024
17	190520	DT2085 - ITC	-	-	-	-	-	-	-	-	-	-
18	190520	DT2090 - FAS 109 ITC	-	-	-	-	-	-	-	-	-	-
19	190520	DT2092 - FAS 109	211,522	204,983	198,444	191,905	191,905	191,905	167,234	167,234	167,234	147,865
20	190520	DT3010 - Performance Plan	4,454	4,454	4,454	4,454	4,454	4,454	4,454	4,454	4,454	4,454
21	190520	DT3040 - Retiree Health (AOCI)	(317,892)	(317,892)	(317,892)	-	-	-	-	-	-	-
22	190520	DT3070 - Deferred Compensation	303,863	303,863	303,863	394,211	394,211	394,211	388,315	388,315	388,315	382,419
23	190520	DT3075 - Line Extension Deposit	(134,421)	(134,421)	(134,421)	(302,106)	(302,106)	(302,106)	(291,274)	(291,274)	(291,274)	(236,046)
24	190520	DT4120 - Reg Pension	-	-	-	14,367,933	14,367,933	14,367,933	14,367,933	14,367,933	14,367,933	14,367,933
25	190520	DT4125 - Reg Retiree Healthcare	-	-	-	(1,170,431)	(1,170,431)	(1,170,431)	(1,170,431)	(1,170,431)	(1,170,431)	(1,170,431)
26	190520	DT4135 - Insurance Reserve	-	-	-	-	-	-	-	-	-	-
27	190520	DT4165 - NOL Carryforward	23,340,292	23,340,292	23,340,292	(6,825,329)	(6,825,329)	(6,825,329)	7,206,623	7,206,623	7,206,623	3,031,821
28	190520	DT4170 - Power Plant Maintenance	9,184	9,184	9,184	47,198	47,198	47,198	85,212	85,212	85,212	123,227
29	190520	DT4285 - IRS Adjustment	1,263,944	1,263,944	1,263,944	-	-	-	-	-	-	-
30	190520	DT4415 - Alternative Fuel Vehicle Credit	-	-	-	-	-	-	-	-	-	-
31	190520	DT4430 - R&D Credit Carryover	-	-	-	752,356	752,356	752,356	902,499	902,499	902,499	965,352
32	190599	DT3020 - Deferred Tax State Income Tax	4,110	4,110	4,110	4,110	4,110	4,110	5,443	5,443	5,443	5,443
33		Total 190 Accounts	44,862,349	44,855,810	44,849,271	13,062,958	30,328,958	30,328,958	29,093,500	29,093,500	34,100,123	27,284,616
34												
35	252000	Customer Advances for Construction	(1,482,978)	(1,478,144)	(1,466,695)	(1,003,875)	(1,036,944)	(1,036,944)	(1,034,825)	(1,040,059)	(1,177,158)	(1,192,620)
36												
37	253011	Accrued Group Insurance Retiree LT	(7,897,783)	(7,943,913)	(8,043,149)	(6,321,011)	(6,348,524)	(6,376,036)	(6,403,548)	(6,430,946)	(6,458,532)	(6,478,510)
38	253100	Accrued PEP	(2,141,191)	(2,141,567)	(2,141,943)	(2,220,102)	(2,223,345)	(2,226,587)	(2,215,993)	(2,214,623)	(2,213,254)	(2,211,884)
39	253105	Accrued Pension	(16,143,758)	(16,414,680)	(16,685,603)	(16,356,012)	(16,581,789)	(16,807,565)	(17,033,342)	(17,259,119)	(17,484,896)	(17,710,673)
40	253110	Accrued Pension Supplement - SERP	(880,723)	(875,900)	(871,076)	(990,917)	(986,223)	(981,529)	(974,071)	(968,456)	(962,841)	(957,226)
41	254010	Regulatory Liability Power Plant Maint.	(26,240)	(62,444)	(98,648)	(134,852)	(171,056)	(207,260)	(243,464)	(279,668)	(315,872)	(352,076)
42	254015	Regulatory Liability Flowback Excess Def. Tax	(592,656)	(573,768)	(554,880)	(535,992)	(535,992)	(535,992)	(479,328)	(479,328)	(479,328)	(423,989)
43	254200	Regulatory Liability LT Pension Inc. Tax	(14,691,286)	(14,691,286)	(14,691,286)	(14,367,932)	(14,367,932)	(14,367,932)	(14,367,932)	(14,367,932)	(14,367,932)	(14,367,932)
44	254385	Regulatory Liability LT Retiree HC	(590,371)	(590,371)	(590,371)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)
45		Total Regulatory Liabilities	(42,964,007)	(43,293,929)	(43,676,956)	(43,100,476)	(43,388,518)	(43,676,560)	(43,891,337)	(44,173,730)	(44,456,312)	(44,675,948)
46												
47	282100/282998	DT4062 - Accelerated Depreciation	(153,533,303)	(153,533,303)	(153,533,303)	(154,686,866)	(154,686,866)	(154,686,866)	(158,172,412)	(158,172,412)	(158,172,412)	(159,304,233)
48	283005	DT4040 - Prepaid Expenses	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)
49	283440	DT2015 - Pension Plan	(3,894,633)	(3,894,633)	(3,894,633)	(3,610,164)	(3,610,164)	(3,610,164)	(3,373,099)	(3,373,099)	(3,373,099)	(3,136,033)
50	283440	DT2093 - FAS 109 AFUDC	(2,993,220)	(2,993,220)	(2,993,220)	(2,960,867)	(2,960,867)	(2,956,409)	(2,956,409)	(2,956,409)	(2,959,880)	(2,959,880)
51	283440	DT3018 - Tax Effect on State NOL	(1,439)	(1,439)	(1,439)	(1,439)	(1,439)	(1,439)	(1,905)	(1,905)	(1,905)	(1,905)
52	283440	DT4065 - FAS 109 Equity AFUDC	(5,558,838)	(5,558,838)	(5,558,838)	(5,498,754)	(5,498,754)	(5,498,754)	(5,490,475)	(5,490,475)	(5,490,475)	(5,496,921)
53	283440	DT4070 - Required Bond Loss	(896,510)	(896,510)	(896,510)	(875,192)	(875,192)	(875,192)	(853,875)	(853,875)	(853,875)	(832,558)
54	283440	DT4275 - Unit of Property	(2,596,420)	(2,596,420)	(2,596,420)	(2,806,578)	(2,806,578)	(2,806,578)	(2,929,141)	(2,929,141)	(2,929,141)	(3,051,704)
55	283440	Total 282 and 283 Accounts	(169,760,272)	(169,760,272)	(169,760,272)	(170,725,771)	(170,725,771)	(170,725,771)	(174,063,226)	(174,063,226)	(174,063,226)	(175,069,144)

Note (1) Existing Other Utility Plant - ADIT

58												
59		Total - Black Hills Power	\$ (125,772,798)	\$ (126,104,425)	\$ (126,482,542)	\$ (158,287,551)	\$ (141,342,662)	\$ (141,630,704)	\$ (145,226,293)	\$ (145,513,921)	\$ (140,926,979)	\$ (148,623,405)
60												
61		Less: Transmission Other Rate Base Reductions										
62	282100/282998	Accelerated Depreciation										
63	283005/283440	Accumulated Deferred Income Taxes										
64	190520/190175/190599	Accumulated Deferred Income Taxes										
65	182390/254015/254012	FAS 109 Adjustment (Gross Up on Excess DIT)										
66		Subtotal										
67		Total to be included in the Black Hills Power Rate Base										

BLACK HILLS POWER, INC.
OTHER RATE BASE REDUCTION
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Account	Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
			July 2013	August 2013	September 2013	13 Month Average	Adj. to Per Books Pro Forma Tax Rtn True Up	(n) + (o)	Pro Forma Adjustments	Final Adjusted Total
1	182316	Regulatory Asset - Pension	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,821,884	\$ -	\$ 26,821,884	\$ -	\$ 26,821,884
2	182385	Regulatory Asset - Retiree H.C.	1,170,431	1,170,431	1,170,431	776,952	-	776,952	-	776,952
3	182390	Regulatory Asset - AFUDC	8,456,800	8,456,800	8,414,275	8,473,874	-	8,473,874	-	8,473,874
4	182395	Regulatory Asset - Unit of Property	8,719,155	8,719,155	8,628,819	8,169,586	-	8,169,586	(8,169,586)	-
5		Total Regulatory Assets	45,029,691	45,029,691	44,896,830	44,242,296	-	44,242,296	(8,169,586)	36,072,710
6										
7	190175	DT1000 - Vacation	282,163	282,163	241,886	254,877	-	254,877	-	254,877
8	190175	DT1010 - Bad Debt Reserve	547,808	547,808	(78,596)	499,623	(626,404)	(126,781)	-	(126,781)
9	190175	DT1020 - EE Group Insurance	63,142	63,142	63,142	66,572	-	66,572	-	66,572
10	190175	DT1050 - Workers Comp	164,125	164,125	182,615	164,690	-	164,690	-	164,690
11	190175	DT1070 - Results Comp Plan	322,922	322,922	491,964	454,271	-	454,271	-	454,271
12	190175	DT4165 - NOL Carryforward	4,400,000	4,400,000	2,600,000	4,764,509	-	4,764,509	-	4,764,509
13	190520	DT2020 - Retiree Healthcare	3,054,869	3,054,869	2,739,145	3,064,586	(298,389)	2,766,197	-	2,766,197
14	190520	DT2025 - PEP Plan	483,527	483,527	487,899	488,796	-	488,796	-	488,796
15	190520	DT2065 - Pension (AOCI)	(1)	(1)	(1)	3,390,296	-	3,390,296	-	3,390,296
16	190520	DT2070 - PEP (AOCI)	344,024	344,024	338,214	328,930	-	328,930	-	328,930
17	190520	DT2085 - ITC	-	-	-	-	-	-	-	-
18	190520	DT2090 - FAS 109 ITC	-	-	-	-	-	-	-	-
19	190520	DT2092 - FAS 109	147,865	147,865	128,497	174,189	-	174,189	-	174,189
20	190520	DT3010 - Performance Plan	4,454	4,454	5,542	4,537	1,088	5,625	-	5,625
21	190520	DT3040 - Retiree Health (AOCI)	-	-	-	(73,360)	-	(73,360)	-	(73,360)
22	190520	DT3070 - Deferred Compensation	382,419	382,419	376,523	367,919	-	367,919	-	367,919
23	190520	DT3075 - Line Extension Deposit	(236,046)	(236,046)	(236,046)	(239,784)	10,001	(229,783)	-	(229,783)
24	190520	DT4120 - Reg Pension	14,367,933	14,367,933	14,367,933	11,052,256	-	11,052,256	-	11,052,256
25	190520	DT4125 - Reg Retiree Healthcare	(1,170,431)	(1,170,431)	(1,170,431)	(900,332)	-	(900,332)	-	(900,332)
26	190520	DT4135 - Insurance Reserve	-	-	-	-	-	-	-	-
27	190520	DT4165 - NOL Carryforward	3,031,821	3,031,821	3,888,782	6,473,000	2,714,614	9,187,614	-	9,187,614
28	190520	DT4170 - Power Plant Maintenance	123,227	123,227	161,241	73,516	-	73,516	-	73,516
29	190520	DT4285 - IRS Adjustment	-	-	-	291,679	-	291,679	-	291,679
30	190520	DT4415 - Alternative Fuel Vehicle Credit	-	-	16,782	1,291	-	1,291	-	1,291
31	190520	DT4430 - R&D Credit Carryover	965,352	965,352	1,012,894	682,578	-	682,578	-	682,578
32	190599	DT3020 - Deferred Tax State Income Tax	5,443	5,443	5,443	4,828	-	4,828	(4,828)	-
33		Total 190 Accounts	27,284,616	27,284,616	25,633,827	31,389,467	1,800,910	33,190,377	(4,828)	33,185,549
34										
35	252000	Customer Advances for Construction	(1,135,620)	(1,187,533)	(1,193,758)	(1,189,781)	(157,444)	(1,347,225)	-	(1,347,225)
36										
37	253011	Accrued Group Insurance Retiree LT	(6,507,035)	(6,535,560)	(6,560,133)	(6,792,668)	-	(6,792,668)	-	(6,792,668)
38	253100	Accrued PEP	(2,210,515)	(2,209,145)	(2,207,775)	(2,198,302)	-	(2,198,302)	-	(2,198,302)
39	253105	Accrued Pension	(15,637,450)	(15,863,226)	(16,089,003)	(16,620,547)	-	(16,620,547)	-	(16,620,547)
40	253110	Accrued Pension Supplement - SERP	(951,610)	(945,995)	(940,380)	(945,150)	-	(945,150)	-	(945,150)
41	254010	Regulatory Liability Power Plant Maint.	(388,280)	(424,484)	(460,688)	(243,464)	-	(243,464)	-	(243,464)
42	254015	Regulatory Liability Flowback Excess Def. Tax	(423,989)	(423,989)	(368,651)	(492,914)	-	(492,914)	-	(492,914)
43	254200	Regulatory Liability LT Pension Inc. Tax	(14,367,932)	(14,367,932)	(14,367,932)	(14,442,552)	-	(14,442,552)	-	(14,442,552)
44	254385	Regulatory Liability LT Retiree HC	(2,173,658)	(2,173,658)	(2,173,658)	(1,808,284)	-	(1,808,284)	-	(1,808,284)
45		Total Regulatory Liabilities	(42,660,469)	(42,943,990)	(43,168,221)	(43,543,881)	-	(43,543,881)	-	(43,543,881)
46										
47	282100/282998	DT4062 - Accelerated Depreciation	(159,304,233)	(159,304,233)	(161,337,806)	(156,802,173)	(678,162)	(157,480,335)	-	(157,480,335)
48	283005	DT4040 - Prepaid Expenses	(285,910)	(285,910)	(278,990)	(285,378)	6,920	(278,458)	-	(278,458)
49	283440	DT2015 - Pension Plan	(3,136,033)	(3,136,033)	(4,508,267)	(3,580,773)	(804,650)	(4,385,423)	-	(4,385,423)
50	283440	DT2093 - FAS 109 AFUDC	(2,959,880)	(2,959,880)	(2,944,996)	(2,965,856)	-	(2,965,856)	-	(2,965,856)
51	283440	DT3018 - Tax Effect on State NOL	(1,905)	(1,905)	(1,905)	(1,690)	-	(1,690)	1,690	-
52	283440	DT4065 - FAS 109 Equity AFUDC	(5,496,921)	(5,496,921)	(5,469,279)	(5,508,019)	-	(5,508,019)	-	(5,508,019)
53	283440	DT4070 - Required Bond Loss	(832,558)	(832,558)	(811,240)	(860,434)	-	(860,434)	-	(860,434)
54	283440	DT4275 - Unit of Property	(3,051,704)	(3,051,704)	(3,020,086)	(2,859,355)	(18,993)	(2,878,348)	2,878,348	-
55	283440	Total 282 and 283 Accounts	(175,069,144)	(175,069,144)	(178,372,571)	(172,863,678)	(1,494,885)	(174,358,563)	2,880,038	(171,478,525)
56										
57		Note (1) Existing Other Utility Plant - ADIT							(2,631,409)	(2,631,409)
58										
59		Total- Black Hills Power	\$ (146,550,926)	\$ (146,886,360)	\$ (152,203,893)	\$ (141,965,577)	\$ 148,581	\$ (141,816,996)	\$ (7,925,785)	\$ (149,742,781)
60										
61		Less: Transmission Other Rate Base Reductions								
62	282100/282998	Accelerated Depreciation				(20,781,266)	(89,878)	(20,871,144)	-	(20,871,144)
63	283005/283440	Accumulated Deferred Income Taxes				(2,551,288)	(129,732)	(2,681,020)	-	(2,681,020)
64	190520/190175/190599	Accumulated Deferred Income Taxes				4,755,257	272,824	5,028,081	-	5,028,081
65	182390/254015/254012	FAS 109 Adjustment (Gross Up on Excess DIT)				367,995	-	367,995	-	367,995
66		Subtotal				(18,209,302)	53,214	(18,156,088)	-	(18,156,088)
67		Total to be included in the Black Hills Power Rate Base				\$ (123,756,275)	\$ 95,367	\$ (123,660,908)	\$ (7,925,785)	\$ (131,586,693)

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section M

Schedule M-2 – Adjustment to Deferred Taxes. This Schedule reflects an adjustment for deferred income taxes on the pro forma plant additions from Statement D, page 2, as well as the retirements of Ben French, Osage and Neil Simpson I. This calculation is based on assets that qualify for a bonus depreciation. This adjustment is summarized on Statement M, line 27.

BLACK HILLS POWER, INC.
Adjustment to Deferred Taxes - Total Company
For the Pro Forma Test Year Ended September 30, 2013

Schedule M-2
Page 1 of 1

Line No.	(a) (Stmt D Pg 2) Capital Additions	(b) (Stmt. J) Book Depreciation	(c) 1st Year Tax Depreciation Rate	(d) (a x c) Tax Depreciation	(e) (b - d) Difference	(f) Tax Rate	(g) (e x f) Deferred Tax	
1	CPGS R&D	\$ 7,413,363	\$ 243,900	100.00%	\$ 7,413,363	\$ (7,169,463)	35.00%	\$ (2,509,312)
2	CPGS - 2013 Expenditures	57,433,266	1,889,554	51.88%	29,796,378	(27,906,824)	35.00%	(9,767,388)
3	CPGS - 2014 Expenditures	23,628,242	777,369	3.75%	886,059	(108,690)	35.00%	(38,042)
4	CPGS - 12" Gas Pipeline	3,775,753	124,222	51.88%	1,958,861	(1,834,639)	35.00%	(642,124)
5	Wyodak- 2012/2013 Annualizations	821,000	23,481	51.88%	425,935	(402,454)	35.00%	(140,859)
6	Neil Simpson II - 2012/2013 Annualizations	485,505	14,080	51.88%	251,880	(237,800)	35.00%	(83,230)
7	Wygen III - 2012/2013 Annualizations	1,042,238	27,515	51.88%	540,713	(513,198)	35.00%	(179,619)
8	Other Production - 2012/2013 Annualizations	1,035,919	25,898	51.88%	537,435	(511,537)	35.00%	(179,038)
9	Distribution - 2012/2013 Annualizations	5,203,942	140,506	51.88%	2,699,805	(2,559,299)	35.00%	(895,755)
10	General - 2012/2013 Annualizations	2,523,540	116,588	51.88%	1,309,213	(1,192,625)	35.00%	(417,419)
11	Wyodak- 2014 Additions	1,161,207	33,211	3.75%	43,545	(10,334)	35.00%	(3,617)
12	Neil Simpson II - 2014 Additions	4,656,216	135,030	3.75%	174,608	(39,578)	35.00%	(13,852)
13	Neil Simpson Common - Additions	5,289,145	153,385	3.75%	198,343	(44,958)	35.00%	(15,735)
14	Wygen III - 2014 Additions	2,867,704	75,707	3.75%	107,539	(31,832)	35.00%	(11,141)
15	Other Production - 2014 Additions	1,679,621	41,991	3.75%	62,986	(20,995)	35.00%	(7,348)
16	Distribution - 2014 Additions	21,674,332	585,207	3.75%	812,787	(227,580)	35.00%	(79,653)
17	General - 2014 Additions	4,462,479	206,167	3.75%	167,343	38,824	35.00%	13,588
18	Other Utility - 2014 Additions	1,456,749	111,444	3.75%	54,628	56,816	35.00%	19,886
19	Total	<u>\$ 146,610,221</u>	<u>\$ 4,725,255</u>		<u>\$ 47,441,421</u>	<u>\$ (42,716,166)</u>		<u>(14,950,658)</u>
20								
21	NOL Adjustment							(455,493)
22								
23	Net Adjustment							<u>(15,406,151)</u>
24								
25	Note 1: Line 1 above relates to costs estimated to qualify for current deduction as research and development under IRC Section 174.							
26								
27		Sched J-2	Sched J-2					
28			Book	Depreciation	Tax			
29	Retirements	Amount	Depreciation	Rate	Depreciation	Difference	Tax Rate	Deferred Tax
30	Ben French, Neil Simpson and Osage	\$ (54,932,189)	\$ (51,321,939)	91.271%	\$(50,137,375)	\$ (1,184,564)	35.00%	\$ (414,597)
31								
32	Decommissioning Reg Asset Amort							
33	Ben French, Neil Simpson and Osage							
34	Plant Related		722,050		1,190,973	(468,923)	35.00%	(164,123)
35	Decommissioning Costs		2,177,351		-	2,177,351	35.00%	762,073
36	Total							<u>597,950</u>
37								
38	Net Other Rate Base Reduction Adjustment							<u>\$ (15,222,798)</u>

Section N

20:10:13:97. Statement N -- Allocated Cost of Service by Jurisdiction. Statement N shall show for the test period the cost of service allocated to the jurisdictional sales or services for which the increased rates or charges are proposed, including the principal determinants used for allocation purposes. Allocated cost of service per books and per claimed adjustments shall be shown separately. This statement shall show the following for the overall cost of service:

- (1) Grouping and allocation of various items of cost and credits to cost of service into functional totals;
- (2) Classification of items of cost and credits into demand, energy, customer, or other appropriate categories;
- (3) If the filing public utility considers for rate purposes certain special facilities to be devoted entirely to the jurisdictional service involved, it shall show, in addition to the overall cost of service, the cost of service related to the special facilities;
- (4) Computations showing the energy responsibilities of the jurisdictional service, based upon consideration of energy sales under the proposed rate schedules and the KWH, MCF or BTU delivered from the filing public utility's supply system;
- (5) Estimated peak electric hour or peak gas period and annual energy or system losses applicable to jurisdictional sales expressed as a percentage of system output;
- (6) Details of allocation of general or common or joint costs to various functions;
- (7) Sufficient detailed breakdown of operation and maintenance expense accounts and taxes to disclose how component items have been classified among energy, class of customer, or other category of cost.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

Statement N -- Allocated Cost of Service per Books.
Schedule N-1 -- Allocated Cost of Service as Adjusted.

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 1	SUMMARY AT PRESENT RATES			
M 2				
M 3	DEVELOPMENT OF RETURN			
M 4				
M 5	OPERATING REVENUE	<u>Sched N-1 Reference</u>		
M 6	Sales of Electricity	SCH I, LN 4	162,976,438	146,724,130
M 7	Contract Sales	SCH I, LN 5	52,723,461	47,361,753
M 8	Other Operating Revenue	SCH I, LN 15	33,237,836	10,484,739
M 9	TOTAL OPERATING REVENUE		248,937,735	204,570,622
M 10				
M 11	OPERATING EXPENSES			
M 12	Operation and Maintenance Expense	SCH H, LN 178	154,728,047	133,662,757
M 13	Depreciation Expense	SCH J, LN 28	27,909,862	22,849,093
M 14	Amortization Expense	SCH J, LN 30	97,406	88,874
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	5,359,279	4,134,379
M 16	State Income Tax	SCH K, LN 10	3,403	0
M 17	Federal Income Tax	SCH K, LN 32	14,025,480	10,179,259
M 18	TOTAL OPERATING EXPENSES		202,123,476	170,914,362
M 19				
M 20	OPERATING INCOME (RETURN)		46,814,259	33,656,260
M 21				
M 22				
M 23	DEVELOPMENT OF RATE BASE			
M 24	Electric Plant in Service	SCH D-2, LN 116	1,016,264,827	815,555,892
M 25	Less: Accumulated Depreciation	SCH E, LN 28	357,675,968	293,640,287
M 26	Less: Amortization	SCH E, LN 30	3,156,280	2,835,303
M 27	Plus: Working Capital	SCH F, LN 9	16,814,753	13,019,869
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	141,965,577	112,755,480
M 29				
M 30	TOTAL RATE BASE	SCH F, LN 29	530,281,754	419,344,691
M 31				
M 32				
M 33	RATE OF RETURN (PRESENT)		8.83%	8.03%
M 34				
M 35	INDEX RATE OF RETURN (PRESENT)		1.00	0.91
M 36				
M 37				
M 38				
M 39				
M 40				
M 41				
M 42				
M 43				
M 44				
M 45				
M 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 47	EQUALIZED RETURN AT PROPOSED ROR			
M 48				
M 49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)			
M 50				
M 51	RATE BASE		530,281,754	419,344,691
M 52				
M 53	RATE OF RETURN		8.48%	8.48%
M 54				
M 55	RETURN (RATE BASE * ROR)		44,967,893	35,560,430
M 56				
M 57	LESS:			
M 58	OPERATING EXPENSES	<u>Sched N-1 Reference</u>		
M 59	Operation and Maintenance Expense	SCH M, LN 12	154,728,047	133,662,757
M 60	Depreciation Expense	SCH M, LN 13	27,909,862	22,849,093
M 61	Amortization Expense	SCH J, LN 30	97,406	88,874
M 62	Taxes Other Than Income Taxes	SCH M, LN 15	5,359,279	4,134,379
M 63	State Income Tax	CALCULATED	3,403	0
M 64	Federal Income Tax	CALCULATED	13,031,282	11,204,582
M 65	TOTAL OPERATING EXPENSES		201,129,279	171,939,685
M 66				
M 67	EQUALS TOTAL COST OF SERVICE		246,097,171	207,500,114
M 68				
M 69	LESS:			
M 70	OTHER OPERATING REVENUES		85,961,297	57,846,492
M 71				
M 72	EQUALS:			
M 73	PROPOSED SALES OF ELECTRICITY @ EQUALIZED ROR		160,135,874	149,653,623
M 74				
M 75				
M 76	TOTAL COST OF SERVICE INCREASE/(DECREASE)		(2,840,564)	2,929,493
M 77				
M 78	SALES OF ELECTRICITY		160,135,874	149,653,623
M 79	SALES OF ELECTRICITY FOR BASE ENERGY (Direct Assigment		0	0
M 80	TOTAL CURRENT RETAIL REVENUES		160,135,874	149,653,623
M 81				
M 82	REVENUE INCREASE TO RETAIL REVENUES (%)		-1.77%	1.96%
M 83				
M 84				
M 85				
M 86				
M 87				
M 88				
M 89				
M 90				
M 91				
M 92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

STATEMENT N
 Page 3 of 34

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 93	RETURN AT PROPOSED RATES			
M 94				
M 95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS			
M 96				
M 97	OPERATING REVENUE			
M 98	Sales of Electricity	SCH AF, LN 269	160,135,873	149,653,623
M 99	Contract Revenues	SCH I, LN 5	52,723,461	47,361,753
M 100	Other Operating Revenue	SCH I, LN 15	33,237,836	10,484,739
M 101	TOTAL OPERATING REVENUE		246,097,170	207,500,114
M 102				
M 103	OPERATING EXPENSES			
M 104	Operation and Maintenance Expense	SCH H, LN 178	154,728,047	133,662,757
M 105	Depreciation Expense	SCH J, LN 28	27,909,862	22,849,093
M 106	Amortization Expense	SCH J, LN 30	97,406	88,874
M 107	Taxes Other Than Income Taxes	SCH L, LN 20	5,359,279	4,134,379
M 108	State Income Tax	CALCULATED	3,403	0
M 109	Federal Income Tax	CALCULATED	13,031,282	11,204,582
M 110	TOTAL OPERATING EXPENSES		201,129,279	171,939,685
M 111				
M 112	OPERATING INCOME (RETURN) AT PROPOSED RATES		44,967,891	35,560,430
M 113				
M 114				
M 115	RATE BASE	SCH M, LN 30	530,281,754	419,344,691
M 116				
M 117				
M 118	RATE OF RETURN		8.48%	8.48%
M 119				
M 120	INDEX RATE OF RETURN		1.00	1.00
M 121				
M 122				
M 123	PROPOSED TOTAL REVENUE INCREASE (\$)		(3,569,187)	2,929,493
M 124				
M 125	SALES OF ELECTRICITY		160,135,873	149,653,623
M 126	SALES OF ELECTRICITY FOR BASE ENERGY COSTS		0	0
M 127	TOTAL CURRENT RETAIL REVENUES		160,135,873	149,653,623
M 128				
M 129	REVENUE INCREASE TO RETAIL REVENUES (%)		-2.23%	1.96%
M 130				
M 131				
M 132				
M 133				
M 134				
M 135				
M 136				
M 137				
M 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1	1	DEVELOPMENT OF RATE BASE		
D-1	2			
D-1	3	ELECTRIC PLANT IN SERVICE		
D-1	4			
D-1	5	PRODUCTION PLANT		
D-1	6	Steam Plant		
D-1	7	310-Land & Land Rights	DPROD 333,639	299,710
D-1	8	311-Structures & Improve	DPROD 40,487,096	36,369,764
D-1	9	312-Boiler Plant Equipment	DPROD 239,281,173	214,947,494
D-1	10	313-Engines and Engine Driver Generator	DPROD 341,878	307,111
D-1	11	314-Turbogenerator Units	DPROD 125,463,205	112,704,235
D-1	12	315-Accessory Electric Equipment	DPROD 24,458,357	21,971,066
D-1	13	316-Misc Power Plant Equipment	DPROD 3,856,198	3,464,042
D-1	14	106-Completed Not Classified Production Plant	DPROD 3,628,149	3,259,185
D-1	15	Steam Plant Additions/Retirements	DPROD 0	0
D-1	16	Total Steam Plant	437,849,695	393,322,607
D-1	17			
D-1	18			
D-1	19	Other Production Plant		
D-1	20	340-Land & Land Rights	DPROD 2,705	2,430
D-1	21	341-Structures and Improvements	DPROD 516,826	464,267
D-1	22	342-Fuel Holders, Producers, & Access	DPROD 5,328,853	4,786,936
D-1	23	344-Generators	DPROD 69,138,920	62,107,843
D-1	24	345-Accessory Electric Equipment	DPROD 4,867,260	4,372,284
D-1	25	346-Misc Power Plant Equipment	DPROD 82,868	74,441
D-1	26	106-Completed Not Classified Oth Prod Plt	DPROD 548,895	493,075
D-1	27	Other Prod Plant Additions/Annualization	DPROD 0	0
D-1	28	Total Other Production Plant	80,486,327	72,301,277
D-1	29			
D-1	30	TOTAL PRODUCTION PLANT	518,336,022	465,623,884
D-1	31			
D-1	32			
D-1	33	TRANSMISSION PLANT		
D-1	34	350-Land & Land Rights	DTRAN 5,745,930	189,539
D-1	35	352-Structures & Improvements	DTRAN 1,782,604	58,802
D-1	36	353-Station Equipment	DTRAN 48,927,254	1,613,949
D-1	37	354-Tower and Fixtures	DTRAN 864,826	28,528
D-1	38	355-Poles & Fixtures	DTRAN 28,021,035	924,322
D-1	39	356-Overhead Conductors & Devices	DTRAN 29,422,077	970,537
D-1	40	359-Roads and Trails	DTRAN 6,920	6,295
D-1	41	106-Completed Not Classified Transmission Plt	DTRAN 263,253	0
D-1	42	Transmission Plant Additions/Annualization	DTRAN 0	0
D-1	43	TOTAL TRANSMISSION PLANT	115,033,899	3,791,973
D-1	44			
D-1	45			
D-1	46			

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1	47	ELECTRIC PLANT IN SERVICE CONTINUED		
D-1	48			
D-1	49	DISTRIBUTION PLANT		
D-1	50	360-Land & Land Rights	2,106,585	2,022,060
D-1	51	361-Structures & Improvements	708,861	700,802
D-1	52	362-Station Equipment	71,650,994	58,163,248
D-1	53	364-Poles,Towers & Fixtures		
D-1	54	Primary - Demand	53,624,432	50,761,939
D-1	55	Secondary - Demand	14,177,353	13,420,561
D-1	56	Total Account 364	67,801,785	64,182,500
D-1	57	365-Overhead Conductors & Devices		
D-1	58	Primary - Demand	35,661,461	33,938,217
D-1	59	Secondary - Demand	6,121,153	5,825,365
D-1	60	Total Account 365	41,782,614	39,763,582
D-1	61	366-Underground Conduit		
D-1	62	Primary - Demand	2,423,473	2,378,767
D-1	63	Secondary - Demand	1,658,510	1,627,915
D-1	64	Total Account 366	4,081,983	4,006,682
D-1	65	367-Underground Conductors & Devices		
D-1	66	Primary - Demand	20,306,834	19,866,165
D-1	67	Secondary - Demand	19,354,951	18,934,938
D-1	68	Total Account 367	39,661,786	38,801,103
D-1	69	368-Line Transformers		
D-1	70	Demand	35,013,434	33,679,565
D-1	71	Total Account 368	35,013,434	33,679,565
D-1	72	369-Services	29,259,736	28,556,304
D-1	73	370-Meters	6,989,275	6,690,268
D-1	74	371-Installation on Customer Premises	2,177,398	2,091,882
D-1	75	373-Street Lighting & Signal Systems	1,726,403	1,650,961
D-1	76	106 - Comp Not Class and Alloc. Additions	4,234,157	3,943,533
D-1	77	Distribution Plant Additions - Direct Assigned	0	0
D-1	78	TOTAL DISTRIBUTION PLANT	307,195,009	284,252,490
D-1	79			
D-1	80			
D-1	81			
D-1	82	TOTAL PROD, TRANS, & DIST PLANT	940,564,930	753,668,347
D-1	83			
D-1	84			
D-1	85			
D-1	86			
D-1	87			
D-1	88			
D-1	89			
D-1	90			
D-1	91			
D-1	92			

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1 93	ELECTRIC PLANT IN SERVICE CONTINUED			
D-1 94				
D-1 95	GENERAL PLANT			
D-1 96	389-Land and Land Rights	SALWAGES	853,197	679,671
D-1 97	390-Structures and Improvements	SALWAGES	11,778,669	9,383,090
D-1 98	391-Office Furniture & Equipment	SALWAGES	8,175,825	6,513,002
D-1 99	392-Transportation Equipment	SALWAGES	7,686,751	6,123,398
D-1 100	393-Store Equipment	SALWAGES	331,885	264,386
D-1 101	394-Tools, Shop & Garage Equip.	SALWAGES	4,240,319	3,377,911
D-1 102	395-Laboratory Equipment	SALWAGES	366,125	291,661
D-1 103	396-Power Operated Equipment	SALWAGES	834,087	664,448
D-1 104	397-Communication Equipment	SALWAGES	8,173,417	6,511,084
D-1 105	398-Miscellaneous Equipment	SALWAGES	197,046	156,970
D-1 106	Rate Case Expense	SREVSD	0	0
D-1 107	106-Completed Not Classified General Plant	SALWAGES	1,852,886	1,690,576
D-1 108	General Plant Additions/Annualization	SALWAGES	0	0
D-1 109	TOTAL GENERAL PLANT		44,490,207	35,656,198
D-1 110				
D-1 111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	26,339,382	21,856,324
D-1 112				
D-1 113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,870,308	4,375,022
D-1 114				
D-1 115				
D-1 116	TOTAL ELECTRIC PLANT IN SERVICE		1,016,264,827	815,555,892
D-1 117				
D-1 118				
D-1 119				
D-1 120				
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D-1 137				
D-1 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
E 1	LESS: ACCUMULATED DEPRECIATION			
E 2				
E 3	PRODUCTION PLANT ACCUM DEPRECIATION	PRODPLT	187,933,374	168,821,505
E 4				
E 5	TRANSMISSION PLANT ACCUM DEPREC	TRANPLT	31,484,205	715,447
E 6				
E 7	DISTRIBUTION PLANT ACCUM DEPRECIATION			
E 8	360-Land & Land Rights	PLT_360	(42,910)	(41,188)
E 9	361-Structures & Improvements	PLT_361	159,696	157,880
E 10	362-Station Equipment	PLT_362	25,117,149	20,603,201
E 11	364-Poles, Towers & Fixtures	PLT_364	24,530,305	23,220,868
E 12	365-Overhead Conductors & Devices	PLT_365	14,036,842	13,358,550
E 13	366-Underground Conduit	PLT_366	500,534	491,301
E 14	367-Underground Conductors & Devices	PLT_367	15,078,398	14,751,188
E 15	368-Line Transformers	PLT_368	12,284,621	11,816,627
E 16	369-Services	PLT_369	9,900,724	9,662,701
E 17	370-Meters	PLT_370	(2,074,770)	(1,986,010)
E 18	371-Installation on Customer Premises	PLT_371	850,997	817,575
E 19	373-Street Lighting & Signal Systems	PLT_373	823,773	787,775
E 20	Accum Dep Adj for WY Distribution Additions	Direct Assignment	0	0
E 21	Unspecified and Accum Dep Adjustment	DISTPLT	0	0
E 22	TOTAL DISTRIBUTION PLANT ACCUM DEPR		101,165,359	93,640,468
E 23				
E 24	GENERAL PLANT ACCUM DEPRECIATION	GENLPLT	19,564,937	15,918,118
E 25				
E 26	OTHER UTILITY ACCUM DEPRECIATION	SALWAGES	17,528,093	14,544,750
E 27				
E 28	TOTAL ACCUMULATED DEPRECIATION		357,675,968	293,640,287
E 29				
E 30	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	3,156,280	2,835,303
E 31				
E 32	NET ELECTRIC PLANT IN SERVICE		655,432,578	519,080,302
E 33				
E 34				
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BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE			
F 2				
F 3	PLUS: ADDITIONS TO RATE BASE			
F 4	WORKING CAPITAL			
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,213,845)	(5,144,343)
F 6	Fuel Inventory	ENEFUEL	5,987,526	5,247,278
F 7	Materials and Supplies	TOTPLT	15,098,699	12,417,940
F 8	Prepayments	OMXFPP	942,373	498,993
F 9	TOTAL WORKING CAPITAL		16,814,753	13,019,869
F 10				
F 11	LESS: DEDUCTIONS TO RATE BASE			
F 12	Customer Advances for Construction	CUSTADV	1,189,781	1,165,985
F 13	Regulatory Assets - S&W Related	SALWAGES	(27,598,836)	(25,181,213)
F 14	Regulatory Assets - Plant Related	TOTPLT	(16,643,460)	(10,490,477)
F 15	Regulatory Assets - Decommissioning	PRODPLT	0	0
F 16	Regulatory Assets - Storm Atlas	Direct Assignment	0	0
F 17	Regulatory Liabilities - S&W Related	SALWAGES	42,807,503	39,057,621
F 18	Regulatory Liabilities - Plant Related	TOTPLT	736,378	670,557
F 19	Deferred Income Taxes and Credits			
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(7,696,253)	(7,008,326)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(23,433,375)	(21,380,641)
F 22	Deferred Income Tax - Customer (Debit)	CUST	(259,839)	(249,746)
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	169,282,905	132,904,619
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	3,580,773	3,267,102
F 25	Total Deferred Income Taxes and Credits		141,474,211	107,533,008
F 26	TOTAL DEDUCTIONS TO RATE BASE		141,965,577	112,755,480
F 27				
F 28				
F 29	TOTAL RATE BASE		530,281,754	419,344,691
F 30				
F 31				
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F 33				
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BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F-3	1	CASH WORKING CAPITAL (LEAD LAG)		
F-3	2			
F-3	3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL		
F-3	4	Purchased Fuel (Coal, Gas, & Oil)	51,884	45,469
F-3	5	Coal Transportation	0	0
F-3	6	Natural Gas - Other Production	7,188	6,299
F-3	7	Purchased Power	125,178	110,134
F-3	8	Transmission	51,348	46,712
F-3	9	Labor	33,019	30,127
F-3	10	Employee Benefits	49	45
F-3	11	Service Company Charges	89,243	81,425
F-3	12	Other O&M	55,980	51,108
F-3	13	Wyodak Power Plant O&M	10,025	9,006
F-3	14	TOTAL O&M	423,914	380,326
F-3	15			
F-3	16	TAXES OTHER THAN INCOME TAXES		
F-3	17	Property Taxes	13,815	12,580
F-3	18	Unemployment Taxes (FUTA & SUTA)	277	253
F-3	19	Montana Electric Energy	43	0
F-3	20	Wyoming Franchise Tax	176	0
F-3	21	South Dakota PUC	580	580
F-3	22	Wyoming PSC	(16)	0
F-3	23	FICA Taxes - Employer's	8,239	7,517
F-3	24	TOTAL TAXES OTHER THAN INCOME TAXES	23,114	20,930
F-3	25			
F-3	26	Depreciation Expense	76,465	131,271
F-3	27	Amortization Expense	267	240
F-3	28	TOTAL DEPRECIATION/AMORTIZATION	76,732	131,511
F-3	29			
F-3	30	FEDERAL INCOME TAXES	41,134	36,942
F-3	31			
F-3	32	INTEREST EXPENSE	48,592	44,249
F-3	33			
F-3	34	GRAND TOTAL	613,486	613,957
F-3	35			
F-3	36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)	(4,036,738)	(4,039,837)
F-3	37			
F-3	38	LESS: TAX COLLECTIONS AVAILABLE	(1,177,107)	(1,104,506)
F-3	39			
F-3	40	NET CASH WORKING CAPITAL REQUIREMENT	(5,213,845)	(5,144,343)
F-3	41			
F-3	42			
F-3	43			
F-3	44			
F-3	45			
F-3	46			

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F-3	1			
F-3	2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED		
F-3	3			
F-3	4	LAG/LEAD DAYS		
F-3	5	REVENUE LAG DAYS	33.98	
F-3	6	EXPENSE LEAD DAYS	40.56	
F-3	7	NET DAYS	(6.58)	
F-3	8			
F-3	9	TAX COLLECTIONS AVAILABLE		
F-3	10	FICA Taxes (Employee Contribution)	(71,445)	(65,187)
F-3	11	Federal Withholding Tax	(139,530)	(127,307)
F-3	12	South Dakota Sales and Use Tax	(912,012)	(912,012)
F-3	13	Wyoming Sales and Use Tax	(54,120)	0
F-3	14	TOTAL TAX COLLECTIONS AVAILABLE	(1,177,107)	(1,104,506)
F-3	15			
F-3	16			
F-3	17			
F-3	18			
F-3	19			
F-3	20			
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F-3	46			

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
1	OPERATING REVENUES			
2				
3	SALES REVENUES			
4	Sales of Electricity Revenues		162,976,438	146,724,130
5	Contract Revenues	DPROD	52,723,461	47,361,753
6	TOTAL SALES OF ELECTRICITY		215,699,899	194,085,883
7				
8	OTHER OPERATING REVENUES			
9	Unbilled, Provision for Rate Refunds and Cost Adj	Direct Assignment	5,614,073	5,614,073
10	Demand Side Management Revenue	Direct Assignment	(968,002)	(968,002)
11	450-Forfeited Discounts	Direct Assignment	267,907	258,273
12	451-Miscellaneous Service Revenues	Direct Assignment	462,921	455,894
13	454-Rent from Electric Property	TDPLT	5,503,881	5,124,501
14	456-Other Electric Revenues - Transmission	TRANPLT	22,357,056	0
15	TOTAL OTHER OPERATING REV		33,237,836	10,484,739
16				
17	TOTAL OPERATING REVENUES		248,937,735	204,570,622
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BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)	
H	1				
H	2	OPERATION & MAINTENANCE EXPENSE			
H	3				
H	4				
H	5	PRODUCTION EXPENSE			
H	6				
H	7	Steam Production Operation			
H	8	500-Supervision & Engineering	SALWAGPO	1,842,155	1,625,149
H	9	501-Fuel	ENEFUEL	20,361,129	17,843,849
H	10	502-Steam Expense	DPROD	2,806,144	2,520,773
H	11	505-Electric Expense	DPROD	1,308,594	1,175,517
H	12	506-Miscellaneous Steam Power Expense	DPROD	894,759	803,766
H	13	507-Rent	DPROD	2,405,734	2,161,083
H	14	509-Allowances	DPROD	0	0
H	15	Total Steam Production Operation		29,618,514	26,130,138
H	16				
H	17	Steam Production Maintenance			
H	18	510-Supervision & Engineering	SALWAGPM	1,454,714	1,306,777
H	19	511-Maintenance of Structures	DPROD	820,283	736,865
H	20	512-Maintenance of Boilers	DPROD	3,555,970	3,194,346
H	21	513-Maintenance of Electric Plant	DPROD	787,972	707,840
H	22	514-Maintenance of Miscellaneous Steam Plant	DPROD	154,760	139,021
H	23	Total Steam Production Maintenance		6,773,700	6,084,849
H	24				
H	25	Total Steam Production Expense		36,392,214	32,214,986
H	26				
H	27	Other Production Operation			
H	28	546-Operation Supervision and Engineering	SALWAGPO	251,045	221,472
H	29	547-Fuel	ENEFUEL	2,623,531	2,299,180
H	30	548-Generation Expense	DPROD	541,835	486,733
H	31	549-Miscellaneous Other Power Generation	DPROD	138,273	124,211
H	32	550-Rents	DPROD	227,411	204,285
H	33	Total Other Production Operation		3,782,095	3,335,881
H	34				
H	35	Other Production Maintenance			
H	36	551-Supervision & Engineering	SALWAGPM	198,959	178,726
H	37	552-Structures	DPROD	7,229	6,494
H	38	553-Maintenance of Generating and Electric Plant	DPROD	1,068,053	959,437
H	39	554-Maintenance of Miscellaneous Other Power	DPROD	89,367	80,278
H	40	556-System Control and Load Dispatching	DPROD	1,409,474	1,266,138
H	41	557-Other Expenses	DPROD	2,000	1,797
H	42	Total Other Production Maintenance		2,775,081	2,492,869
H	43				
H	44	Total Other Production Expense		6,557,176	5,828,750
H	45				
H	46				

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 47	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 48				
H 49				
H 50	PRODUCTION EXPENSE (CONT.)			
H 51				
H 52	Other Power Supply			
H 53	555 - Purchased Power - Energy	ENERGY1	38,497,099	33,737,640
H 54	555 - Purchased Power - Capacity	DPROD	7,192,960	6,461,473
H 55	Total Other Power Supply		45,690,059	40,199,113
H 56				
H 57	TOTAL PRODUCTION EXPENSE		88,639,450	78,242,849
H 58				
H 59				
H 60	TRANSMISSION EXPENSES			
H 61				
H 62	Operation			
H 63	560-Supervision & Engineering	SALWAGTO	746,053	70,693
H 64	561-Load Dispatch	TRANPLT	2,203,505	0
H 65	562-Station Equipment	TRANPLT	280,360	0
H 66	563-Overhead Lines	TRANPLT	80,121	17,212
H 67	565-Transmission of Electricity by Others	TRANPLT	18,741,890	17,049,706
H 68	566-Miscellaneous	TRANPLT	131,053	28,154
H 69	567-Rents	TRANPLT	0	0
H 70	Total Transmission Operation		22,182,983	17,165,765
H 71				
H 72	Maintenance			
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	55	50
H 74	569-Maintenance of Structures	TRANPLT	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	143,595	25,658
H 76	571-Maintenance of Overhead Lines	TRANPLT	76,749	16,488
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,108	1,008
H 79	Total Transmission Maintenance		221,506	43,204
H 80				
H 81	TOTAL TRANSMISSION EXPENSE		22,404,489	17,208,970
H 82				
H 83				
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BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 93	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 94				
H 95				
H 96	DISTRIBUTION EXPENSES			
H 97	Operation			
H 98	580-Supervision	SALWAGDO	1,411,833	1,317,256
H 99	581-Load Dispatch	DISTPLT	296,825	276,452
H 100	582-Station Equipment	PLT_362	449,127	375,020
H 101	583-Overhead Lines	OHDIST	486,016	461,010
H 102	584-Underground Lines	UGDIST	305,099	298,571
H 103	585-Street Lighting	PLT_3713	1	1
H 104	586-Metering	CMETERS	786,540	756,867
H 105	587-Customer Installations	CMETERS	22,761	21,902
H 106	588-Miscellaneous	DISTPLT	366,951	341,764
H 107	589-Rents	DISTPLT	17,727	16,510
H 108	Total Distribution Operation		4,142,880	3,865,353
H 109				
H 110	Maintenance			
H 111	590-Supervision	SALWAGDM	1,250	1,179
H 112	591-Structures	DISTPLT	0	0
H 113	592-Station Equipment	PLT_362	287,790	240,304
H 114	593-Overhead Lines	OHDIST	3,459,372	3,281,381
H 115	594-Underground Lines	UGDIST	234,388	229,373
H 116	595-Transformers	PLT_368	47,646	45,831
H 117	596-Street Lighting	PLT_3713	56,846	54,502
H 118	597-Metering	CMETERS	69,156	66,547
H 119	598-Miscellaneous	DISTPLT	94,932	88,416
H 120	Total Distribution Maintenance		4,251,379	4,007,532
H 121				
H 122	TOTAL DISTRIBUTION EXPENSES		8,394,259	7,872,884
H 123				
H 124	TOTAL OPER & MAINT EXP (PROD,TRAN,& DIST)		119,438,198	103,324,704
H 125				
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H 127				
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H 137				
H 138				

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 139	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 140				
H 141				
H 142	CUSTOMER ACCOUNTS EXPENSES			
H 143	901-Supervision	SALWAGCA	54,121	52,082
H 144	902-Meter Reading	CMETRDG	19,927	19,153
H 145	903-Customer Records and Collection Expense	CUSTREC	1,589,608	1,527,862
H 146	904-Uncollectible Accounts	EXP_904	440,879	426,884
H 147	905-Miscellaneous CA	CUSTCAM	603,770	580,318
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,708,305	2,606,300
H 149				
H 150				
H 151	CUSTOMER SERVICE EXPENSES			
H 152	907-Supervision	SALWAGCS	204,020	196,095
H 153	908-Customer Assistance	CUSTASST	1,169,153	1,123,739
H 154	909-Advertisement	CUSTADVT	12,439	11,956
H 155	910-Miscellaneous CS	CUSTCSM	70,687	67,942
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,456,300	1,399,732
H 157				
H 158	SALES EXPENSES TOTAL	SALESREV	30,308	27,285
H 159				
H 160	TOTAL OPER & MAINT EXCL A&G		123,633,111	107,358,021
H 161				
H 162	ADMINISTRATIVE & GENERAL EXPENSE			
H 163	920-Administrative Salaries	SALWAGES	17,764,852	14,150,445
H 164	921-Office Supplies & Expense	SALWAGES	3,390,683	3,093,663
H 165	922-A&G Expense Transferred	SALWAGES	(43,983)	(40,130)
H 166	923-Outside Services	SALWAGES	2,478,226	2,261,137
H 167	xxx-Rate Case Expenses	SREVSD	0	0
H 168	924-Property Insurance	TOTPLT	797,583	726,291
H 169	925-Injuries and Damages	SALWAGES	2,599,153	2,371,470
H 170	926-Pensions & Benefits	SALWAGES	214,670	195,865
H 171	928-Regulatory Commission	SALESREV	550,134	495,274
H 172	930.1-General Advertising	SALWAGES	253,269	231,083
H 173	930.2-Miscellaneous General	SALWAGES	1,244,344	1,135,341
H 174	931-Rents	GENLPLT	562,807	513,506
H 175	932-Maintenance of General Plant	GENLPLT	1,283,197	1,170,790
H 176	TOTAL A&G EXPENSE		31,094,936	26,304,736
H 177				
H 178	TOTAL OPERATION & MAINTENANCE EXPENSES		154,728,047	133,662,757
H 179				
H 180				
H 181				
H 182				
H 183				
H 184				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
J	1	DEPRECIATION/AMORTIZATION EXPENSE		
J	2			
J	3	PRODUCTION PLANT EXPENSE	13,386,388	12,025,060
J	4			
J	5	TRANSMISSION PLANT EXPENSE	2,396,230	18,673
J	6			
J	7	DISTRIBUTION PLANT EXPENSE		
J	8	360-Land & Land Rights	0	0
J	9	361-Structures & Improvements	19,577	19,355
J	10	362-Station Equipment	1,978,857	1,490,658
J	11	364-Poles, Towers & Fixtures	1,872,550	1,772,592
J	12	365-Overhead Conductors & Devices	1,153,952	1,098,191
J	13	366-Underground Conduit	112,736	110,657
J	14	367-Underground Conductors & Devices	1,095,379	1,071,609
J	15	368-Line Transformers	967,001	930,162
J	16	369-Services	808,095	788,668
J	17	370-Meters	193,030	184,772
J	18	371-Installation on Customer Premises	60,135	57,774
J	19	373-Street Lighting & Signal Systems	47,680	45,596
J	20	Dep Adj for SD Distribution Additions	0	0
J	21	Distribution Plant Annualization	116,939	108,913
J	22	TOTAL DISTRIBUTION PLANT EXPENSE	8,425,932	7,678,946
J	23			
J	24	GENERAL PLANT EXPENSE	1,701,148	1,301,463
J	25			
J	26	OTHER UTILITY DEPRECIATION EXPENSE	2,000,163	1,824,951
J	27			
J	28	TOTAL DEPRECIATION EXPENSE	27,909,862	22,849,093
J	29			
J	30	PLANT ACQUISITION ADJUSTMENT	97,406	88,874
J	31			
J	32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE	28,007,268	22,937,967
J	33			
J	34			
J	35			
J	36			
J	37			
J	38			
J	39			
J	40			
J	41			
J	42			
J	43			
J	44			
J	45			
J	46			

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
L 1	OTHER OPERATING EXPENSES			
L 2				
L 3	TAXES OTHER THAN INCOME TAXES			
L 4	Federal Taxes			
L 5	FICA Tax	SALWAGES	3,007,210	2,594,431
L 6	Unemployment Tax	SALWAGES	20,987	19,149
L 7				
L 8	State Taxes			
L 9	Unemployment Tax	SALWAGES	80,114	73,096
L 10	Montana Electric Energy Tax	SREVMT	15,777	0
L 11	Wyoming Franchise Taxes	SREVWY	64,059	0
L 12	South Dakota PUC Tax	SREVSD	211,595	211,595
L 13	Wyoming Sales Tax	SREVWY	(5,843)	0
L 14				
L 15	Local Taxes			
L 16	Property	TOTPLT	5,042,451	4,043,632
L 17				
L 18	TOIT - Payroll Loading & Other	SALWAGES	(3,077,071)	(2,807,524)
L 19				
L 20	TOTAL TAXES OTHER THAN INCOME		5,359,279	4,134,379
L 21				
L 22				
L 23				
L 24				
L 25				
L 26				
L 27				
L 28				
L 29				
L 30				
L 31				
L 32				
L 33				
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L 45				
L 46				

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
K 1	DEVELOPMENT OF INCOME TAXES			
K 2				
K 3	TOTAL OPERATING REVENUES	SCH I, LN 17	248,937,735	204,570,622
K 4				
K 5	LESS:			
K 6	OPERATION & MAINTAINENCE EXPENSE	SCH H, LN 178	154,728,047	133,662,757
K 7	DEPRECIATION EXPENSE	SCH J, LN 28	27,909,862	22,849,093
K 8	AMORTIZATION EXPENSE	SCH J, LN 30	97,406	88,874
K 9	TAXES OTHER THAN INCOME TAXES	SCH L, LN 20	5,359,279	4,134,379
K 10	MT STATE INCOME TAXES	SREVMT	3,403	0
K 11				
K 12	NET OPERATING INCOME BEFORE TAXES		60,839,739	43,835,519
K 13	AFUDC	TOTPLT	3,931,226	3,579,834
K 14	Interest Expense (Rate Base * Wtd Cost of Debt)		(22,233,936)	(17,582,508)
K 15	Subtotal		42,537,028	29,832,845
K 16				
K 17	Tax Adjustments:			
K 18	Permanent - Salaries & Wages	SALWAGES	(926,840)	(845,650)
K 19	Permanent - Plant	TOTPLTCUS	240,822	193,260
K 20	Temporary - Salaries & Wages	SALWAGES	(2,900,706)	(2,646,608)
K 21	Temporary - Plant	TOTPLTCUS	(28,664,119)	(23,003,050)
K 22	Temporary - Customer	CUST	(486,460)	(467,564)
K 23	Temporary - Other	CLAIMREV	18,057,286	16,217,154
K 24	Total Adjustments		(14,680,017)	(10,552,458)
K 25				
K 26	TAXABLE INCOME (NOL)		27,857,011	19,280,387
K 27				
K 28	Federal Income Tax @ 35%		9,749,955	6,748,135
K 29				
K 30	Other Tax Adjustments	TOTPLTCUS	4,275,526	3,431,123
K 31				
K 32	TOTAL FEDERAL INCOME TAX		14,025,481	10,179,258
K 33				
K 34	TOTAL INCOME TAXES		14,028,884	10,179,258
K 35				
K 36				
K 37				
K 38				
K 39				
K 40				
K 41				
K 42				
K 43				
K 44				
K 45				
K 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
K	47			
K	48			
K	49			
K	50			
K	51			
K	52	TAX RATES		
K	53	STATE TAX RATE	0.00%	
K	54	FEDERAL TAX RATE - CURRENT	35.00%	
K	55			
K	56			
K	57			
K	58			
K	59	WEIGHTED COST OF DEBT	4.19%	
K	60			
K	61			
K	62			
K	63			
K	64			
K	65			
K	66			
K	67			
K	68			
K	69			
K	70			
K	71			
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K	89			
K	90			
K	91			
K	92			

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA		
	(a)	(b)	(c)	(d)		
H-1	1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR				
H-1	2					
H-1	3	PRODUCTION SALARIES & WAGES EXPENSE				
H-1	4	Operation	OX_PROD	3,390,256	2,990,884	
H-1	5	Maintenance	MX_PROD	1,987,262	1,785,168	
H-1	6	TOTAL PRODUCTION			5,377,518	4,776,051
H-1	7					
H-1	8	TRANSMISSION SALARIES & WAGES EXPENSE				
H-1	9	Operation	OX_TRAN	230,062	209,290	
H-1	10	Maintenance	MX_TRAN	54,057	49,176	
H-1	11	TOTAL TRANSMISSION			284,119	258,466
H-1	12					
H-1	13	DISTRIBUTION SALARIES & WAGES EXPENSE				
H-1	14	Operation	OX_DIST	1,651,448	1,540,819	
H-1	15	Maintenance	MX_DIST	865,927	816,260	
H-1	16	TOTAL DISTRIBUTION			2,517,375	2,357,079
H-1	17					
H-1	18	CUSTOMER ACCOUNTS SAL & WAGES EXP	OX_CA	721,065	693,907	
H-1	19					
H-1	20	CUSTOMER SERVICE SAL & WAGES EXP	OX_CS	716,604	688,769	
H-1	21					
H-1	22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP				
H-1	23	Operation	SALWAGXAG	376,820	343,811	
H-1	24	Maintenance	SALWAGXAG	13,017	11,877	
H-1	25	TOTAL ADMINISTRATIVE & GENERAL			389,837	355,688
H-1	26					
H-1	27	TOT OPER & MAINTENANCE SALARIES & WAGES			10,006,518	9,129,960
H-1	28					
H-1	29					
H-1	30					
H-1	31					
H-1	32					
H-1	33					
H-1	34					
H-1	35					
H-1	36					
H-1	37					
H-1	38					
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H-1	44					
H-1	45					
H-1	46					

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 1	ALLOCATION FACTOR TABLE			
AF 2	<u>DEMAND</u>			
AF 3				
AF 4	<u>DEMAND - PRODUCTION RELATED</u>			
AF 5	Demand Production (12 CP)	DPROD	263.73	236.91
AF 6				
AF 7				
AF 8				
AF 9	<u>DEMAND - TRANSMISSION RELATED</u>			
AF 10	Demand Transmission (NCP)	DTRAN	335.47	305.18
AF 11				
AF 12				
AF 13				
AF 14				
AF 15				
AF 16				
AF 17				
AF 18				
AF 19				
AF 20	<u>DEMAND - DISTRIBUTION RELATED (NCP)</u>			
AF 21	Demand Distribution Primary Substation	DDISPSUB	335.472	305.18
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	335.472	305.18
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	335.472	305.18
AF 24				
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	335.472	305.18
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	335.472	305.18
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	335.472	305.18
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	335.472	305.18
AF 29				
AF 30				
AF 31				
AF 32				
AF 33				
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BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 47	ALLOCATION FACTOR TABLE CONTINUED			
AF 48				
AF 49	<u>ENERGY</u>			
AF 50	Energy @ Generation with losses (kWh)	ENEFUEL	1,832,552	1,605,990
AF 51	Energy @ Generation with losses(kWh)	ENERGY1	1,832,552	1,605,990
AF 52	Energy @ Meter (kWh Sales)	ENERGY2	1,696,490	1,483,798
AF 53				
AF 51				
AF 55				
AF 56				
AF 57				
AF 58				
AF 59				
AF 60				
AF 61	<u>CUSTOMER</u>			
AF 62				
AF 63	Customer Dist. Primary Substation	CDISPSUB	69,664	66,958
AF 64	Customer Dist. Primary Overhead Lines	CDISTPOL	69,664	66,958
AF 65	Customer Dist. Primary Underground Lines	CDISTPUL	69,664	66,958
AF 66				
AF 67				
AF 68				
AF 69				
AF 70				
AF 71				
AF 72	369-Services	CSERVICE	335,472	305,182
AF 73	370-Meters	CMETERS	15,938,218	15,336,942
AF 74				
AF 75	902-Meter Reading	CMETRDG	835,968	803,496
AF 76	903-Customer Records and Collections	CUSTREC	835,968	803,496
AF 77	905-Miscellaneous Customer Accounts	CUSTCAM	69,664	66,958
AF 78	908-Customer Assistance	CUSTASST	69,664	66,958
AF 79	909-Advertisement	CUSTADVT	69,664	66,958
AF 80	910-Miscellaneous Customer Service	CUSTCSM	69,664	66,958
AF 81				
AF 82				
AF 83				
AF 84	371-Installation on Customer Premises	CUSTPREM	2,799	2,622
AF 85	373-Street Lighting & Signal Systems	CLIGHT	202	198
AF 86				
AF 87	Number of Bills	CUSTBILLS	835,968	803,496
AF 88	Number of Customers	CUST	69,664	66,958
AF 89				
AF 90				
AF 91				
AF 92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 93	ALLOCATION FACTOR TABLE CONTINUED			
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AF 95				
AF 96	Plant			
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	827,705,173	753,668,347
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	300,966,668	280,308,957
AF 98	Rate Base	RATEBASE	460,378,679	419,344,691
AF 100	Total Electric Plant In Service	TOTPLT	895,609,722	815,555,892
AF 101	Production Plant In Service	PRODPLT	518,336,022	465,623,884
AF 102	Transmission Plant in Service	TRANPLT	4,168,326	3,791,973
AF 103	Distribution Plant in Service	DISTPLT	305,200,825	284,252,490
AF 104	Total Transmission and Distribution Plant	TDPLT	309,369,151	288,044,463
AF 105	General Plant in Service	GENLPLT	39,079,513	35,656,198
AF 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1,016,264,827	815,555,892
AF 107	Account 360	PLT_360	2,106,585	2,022,060
AF 108	Account 361	PLT_361	708,861	700,802
AF 109	Account 362	PLT_362	69,656,810	58,163,248
AF 110	Account 364	PLT_364	67,801,785	64,182,500
AF 111	Account 365	PLT_365	41,782,614	39,763,582
AF 112	Account 366	PLT_366	4,081,983	4,006,682
AF 113	Account 367	PLT_367	39,661,786	38,801,103
AF 114	Account 368	PLT_368	35,013,434	33,679,565
AF 115	Account 369	PLT_369	29,259,736	28,556,304
AF 116	Account 370	PLT_370	6,989,275	6,690,268
AF 117	Account 371	PLT_371	2,177,398	2,091,882
AF 118	Account 373	PLT_373	1,726,403	1,650,961
AF 119	Distribution Overhead Plant in Service	OHDIST	109,584,399	103,946,082
AF 120	Distribution Underground Plant in Service	UGDIST	43,743,768	42,807,785
AF 121	Account 371&373	PLT_3713	3,903,800	3,742,843
AF 122				
AF 123	South Dakota	DPLTSD	280,308,957	280,308,957
AF 124	Wyoming	DPLTWY	19,305,136	0
AF 125	Montana	DPLTMT	1,352,575	0
AF 126				
AF 127				
AF 128				
AF 129				
AF 130				
AF 131				
AF 132				
AF 133				
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	80,279,653	73,293,330
AF 135	Supervised O&M Expense excluding CUS	OMXFPPT	32,711,246	29,949,663
AF 136				
AF 137				
AF 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 139	ALLOCATION FACTOR TABLE CONTINUED			
AF 140	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AF 141	Production Expense			
AF 142	Account 500	OX_500	1,842,155	1,625,149
AF 143	Account 501	OX_501	20,361,129	17,843,849
AF 144	Account 502	OX_502	2,806,144	2,520,773
AF 145	Account 505	OX_505	1,308,594	1,175,517
AF 146	Account 506	OX_506	894,759	803,766
AF 147	Account 510	MX_510	1,454,714	1,306,777
AF 148	Account 511	MX_511	820,283	736,865
AF 149	Account 512	MX_512	3,555,970	3,194,346
AF 150	Account 513	MX_513	787,972	707,840
AF 151	Account 514	MX_514	154,760	139,021
AF 152	Account 546	OX_546	251,045	221,472
AF 153	Account 547	OX_547	2,623,531	2,299,180
AF 154	Account 548	OX_548	541,835	486,733
AF 155	Account 549	OX_549	138,273	124,211
AF 156	Account 551	MX_551	198,959	178,726
AF 157	Account 552	MX_552	7,229	6,494
AF 158	Account 553	MX_553	1,068,053	959,437
AF 159	Account 554	MX_554	89,367	80,278
AF 160	Account 556	OX_556	1,411,474	1,267,934
AF 161	Account 555	OX_555	45,690,059	40,199,113
AF 162	Account 557	OX_557	0	
AF 163	O&M Expense Production Operation	OX_PROD	31,307,409	27,619,397
AF 164	O&M Expense Production Maintenance	MX_PROD	7,895,108	7,092,216
AF 165	Salaries and Wages Production Operation	SALWAGPO	3,390,256	2,990,884
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	1,987,262	1,785,168
AF 167	Transmission Expense			
AF 168	Account 560	OX_560	77,709	70,693
AF 169	Account 561	OX_561	0	0
AF 170	Account 562	OX_562	0	0
AF 171	Account 563	OX_563	18,920	17,212
AF 172	Account 565	OX_565	18,741,890	17,049,706
AF 173	Account 566	OX_566	30,948	28,154
AF 174	Account 567	OX_567	0	0
AF 175	Account 568	MX_568	55	50
AF 176	Account 569	MX_569	0	0
AF 177	Account 570	MX_570	28,205	25,658
AF 178	Account 571	MX_571	18,125	16,488
AF 179	Account 573	MX_573	1,108	1,008
AF 180	O&M Accounts 561-567	OX_TRAN	18,791,759	17,095,072
AF 181	O&M Accounts 569-573	MX_TRAN	47,437	43,154
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	230,062	209,290
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	54,057	49,176
AF 184				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 185	ALLOCATION FACTOR TABLE CONTINUED			
AF 186	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AF 187	Distribution Expense			
AF 188	Account 580	OX_580	1,411,833	1,317,256
AF 189	Account 581	OX_581	296,825	276,452
AF 190	Account 582	OX_582	449,127	375,020
AF 191	Account 583	OX_583	486,016	461,010
AF 192	Account 584	OX_584	305,099	298,571
AF 193	Account 585	OX_585	1	1
AF 194	Account 586	OX_586	786,540	756,867
AF 195	Account 587	OX_587	22,761	21,902
AF 196	Account 588	OX_588	366,951	341,764
AF 197	Account 589	OX_589	17,727	16,510
AF 198	Account 590	MX_590	1,250	1,179
AF 199	Account 592	MX_592	287,790	240,304
AF 200	Account 593	MX_593	3,459,372	3,281,381
AF 201	Account 594	MX_594	234,388	229,373
AF 202	Account 595	MX_595	47,646	45,831
AF 203	Account 596	MX_596	56,846	54,502
AF 204	Account 597	MX_597	69,156	66,547
AF 205	Account 598	MX_598	94,932	88,416
AF 206	O&M Accounts 581-589	OX_DIST	2,731,047	2,548,097
AF 207	O&M Accounts 591-598	MX_DIST	4,250,129	4,006,353
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,651,448	1,540,819
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	865,927	816,260
AF 210				
AF 211	Account 902	OX_902	19,927	19,153
AF 212	Account 903	OX_903	1,589,608	1,527,862
AF 213	Account 904	OX_904	440,879	426,884
AF 214	O&M Accounts 902-905	OX_CA	2,654,185	2,554,217
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	721,065	693,907
AF 216				
AF 217	Account908	OX_908	1,169,153	1,123,739
AF 218	Account909	OX_909	12,439	11,956
AF 219	Account910	OX_910	70,687	67,942
AF 220	O&M Accounts 908-910	OX_CS	1,252,280	1,203,637
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	716,604	688,769
AF 222				
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	9,616,681	8,774,272
AF 224	Total Salaries and Wages Expense	SALWAGES	10,006,518	9,129,960
AF 225				
AF 226				
AF 227				
AF 228				
AF 229				
AF 230				

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 231	REVENUES AND BILLING DETERMINANTS			
AF 232				
AF 233	Base Rate Sales Revenue	SALESREV	162,976,438	146,724,130
AF 234	South Dakota	SREVSD	146,724,130	146,724,130
AF 235	Wyoming	SREVWY	13,264,644	0
AF 236	Montana	SREVMT	2,987,664	0
AF 237				
AF 238				
AF 239				
AF 240	Claimed Rate Sales Revenue	CLAIMREV	166,634,553	149,653,623
AF 241				
AF 242				
AF 243				
AF 244				
AF 245				
AF 246	<u>PRESENT REVENUES FROM SALES INPUT</u>			
AF 247				
AF 248	Total Sales of Electricity Revenues		162,976,438	146,724,130
AF 249				
AF 250	Sales of Electricity Revenues		162,976,438	146,724,130
AF 251				
AF 252				
AF 253				
AF 254	<u>BILLING DETERMINATE INPUTS</u>			
AF 255	Number of Customer Bills	SCH AF, LN 87	835,968	803,496
AF 256	Annual kWh Sales @ Meter	SCH AF, LN 52	1,696,490	1,483,798
AF 257	Annual kW - Billed		0	-
AF 258				
AF 259				
AF 260				
AF 261	<u>RATE OF RETURN</u>			
AF 262	Rate of Return (Equalized)	SCH AF, LN 262	8.48%	8.48%
AF 263				
AF 264				
AF 265				
AF 266	<u>PROPOSED REVENUES FROM SALES INPUT</u>			
AF 267	Annual kWh Sales - Proposed	SCH AF, LN 256	1,696,490	1,483,798
AF 268	Sales of Electricity Revenues - Proposed Total		160,135,873	149,653,623
AF 269	Sales of Electricity Revenues - Proposed		160,135,874	149,653,623
AF 270	Credit		0	0
AF 271	Credit	DPROD	0	0
AF 272				
AF 273				
AF 274				
AF 275				
AF 276				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 1	ALLOCATION PROPORTIONS TABLE			
AP 2	DEMAND			
AP 3				
AP 4	<u>DEMAND - PRODUCTION RELATED</u>			
AP 5	Demand Production (12 CP)	DPROD	1.00000	0.89831
AP 6				
AP 7				
AP 8				
AP 9	<u>DEMAND - TRANSMISSION RELATED</u>			
AP 10	Demand Transmission (NCP)	DTRAN	1.00000	0.90971
AP 11				
AP 12				
AP 13				
AP 14				
AP 15				
AP 16				
AP 17				
AP 18				
AP 19				
AP 20	<u>DEMAND - DISTRIBUTION RELATED (NCP)</u>			
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.90971
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.90971
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.90971
AP 24				
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.90971
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.90971
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.90971
AP 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	1.00000	0.90971
AP 29				
AP 30				
AP 31				
AP 32				
AP 33				
AP 34				
AP 35				
AP 36				
AP 37				
AP 38				
AP 39				
AP 40				
AP 41				
AP 42				
AP 43				
AP 44				
AP 45				
AP 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 47	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 48				
AP 49	<u>ENERGY</u>			
AP 50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.87637
AP 51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.87637
AP 52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.87463
AP 53				
AP 51				
AP 55				
AP 56				
AP 57				
AP 58				
AP 59				
AP 60				
AP 61	<u>CUSTOMER</u>			
AP 62				
AP 63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.96116
AP 64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.96116
AP 65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.96116
AP 66				
AP 67			0.00000	0.00000
AP 68			0.00000	0.00000
AP 69			0.00000	0.00000
AP 70			0.00000	0.00000
AP 71				
AP 72	369-Services	CSERVICE	1.00000	0.90971
AP 73	370-Meters	CMETERS	1.00000	0.96227
AP 74				
AP 75	902-Meter Reading	CMETRDG	1.00000	0.96116
AP 76	903-Customer Records and Collections	CUSTREC	1.00000	0.96116
AP 77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.96116
AP 78	908-Customer Assistance	CUSTASST	1.00000	0.96116
AP 79	909-Advertisement	CUSTADVT	1.00000	0.96116
AP 80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.96116
AP 81				
AP 82			0.00000	0.00000
AP 83				
AP 84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.93676
AP 85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.98020
AP 86				
AP 87	Number of Bills	CUSTBILLS	1.00000	0.96116
AP 88	Number of Customers	CUST	1.00000	0.96116
AP 89				
AP 90				
AP 91				
AP 92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 93	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AP 95				
AP 96	Plant			
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.91055
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.93136
AP 98	Rate Base	RATEBASE	1.00000	0.91087
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.91062
AP 101	Production Plant In Service	PRODPLT	1.00000	0.89831
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.90971
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.93136
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.93107
AP 105	General Plant in Service	GENLPLT	1.00000	0.91240
AP 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1.00000	0.80250
AP 107	Account 360	PLT_360	1.00000	0.95988
AP 108	Account 361	PLT_361	1.00000	0.98863
AP 109	Account 362	PLT_362	1.00000	0.83500
AP 110	Account 364	PLT_364	1.00000	0.94662
AP 111	Account 365	PLT_365	1.00000	0.95168
AP 112	Account 366	PLT_366	1.00000	0.98155
AP 113	Account 367	PLT_367	1.00000	0.97830
AP 114	Account 368	PLT_368	1.00000	0.96190
AP 115	Account 369	PLT_369	1.00000	0.97596
AP 116	Account 370	PLT_370	1.00000	0.95722
AP 117	Account 371	PLT_371	1.00000	0.96073
AP 118	Account 373	PLT_373	1.00000	0.95630
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.94855
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.97860
AP 121	Account 371&373	PLT_3713	1.00000	0.95877
AP 122				
AP 123	South Dakota	DPLTSD	1.00000	1.00000
AP 124	Wyoming	DPLTWY	1.00000	0.00000
AP 125	Montana	DPLTMT	1.00000	0.00000
AP 126				
AP 127				
AP 128				
AP 129				
AP 130				
AP 131				
AP 132				
AP 133				
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.91298
AP 135	Supervised O&M Expense excluding CUS	OMXFPPT	1.00000	0.91558
AP 136				
AP 137				
AP 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 140	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AP 141	Production Expense			
AP 142	Account 500	OX_500	1.00000	0.88220
AP 143	Account 501	OX_501	1.00000	0.87637
AP 144	Account 502	OX_502	1.00000	0.89831
AP 145	Account 505	OX_505	1.00000	0.89831
AP 146	Account 506	OX_506	1.00000	0.89831
AP 147	Account 510	MX_510	1.00000	0.89831
AP 148	Account 511	MX_511	1.00000	0.89831
AP 149	Account 512	MX_512	1.00000	0.89831
AP 150	Account 513	MX_513	1.00000	0.89831
AP 151	Account 514	MX_514	1.00000	0.89831
AP 152	Account 546	OX_546	1.00000	0.88220
AP 153	Account 547	OX_547	1.00000	0.87637
AP 154	Account 548	OX_548	1.00000	0.89831
AP 155	Account 549	OX_549	1.00000	0.89831
AP 156	Account 551	MX_551	1.00000	0.89831
AP 157	Account 552	MX_552	1.00000	0.89831
AP 158	Account 553	MX_553	1.00000	0.89831
AP 159	Account 554	MX_554	1.00000	0.89831
AP 160	Account 556	OX_556	1.00000	0.89831
AP 161	Account 555	OX_555	1.00000	0.87982
AP 162	Account 557	OX_557	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.88220
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.89831
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.88220
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.89831
AP 167	Transmission Expense			
AP 168	Account 560	OX_560	1.00000	0.90971
AP 169	Account 561	OX_561	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.90971
AP 172	Account 565	OX_565	1.00000	0.90971
AP 173	Account 566	OX_566	1.00000	0.90971
AP 174	Account 567	OX_567	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.90971
AP 176	Account 569	MX_569	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.90971
AP 178	Account 571	MX_571	1.00000	0.90971
AP 179	Account 573	MX_573	1.00000	0.90971
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.90971
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.90971
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.90971
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.90971
AP 184				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 186	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AP 187	Distribution Expense			
AP 188	Account 580	OX_580	1.00000	0.93301
AP 189	Account 581	OX_581	1.00000	0.93136
AP 190	Account 582	OX_582	1.00000	0.83500
AP 191	Account 583	OX_583	1.00000	0.94855
AP 192	Account 584	OX_584	1.00000	0.97860
AP 193	Account 585	OX_585	1.00000	0.95877
AP 194	Account 586	OX_586	1.00000	0.96227
AP 195	Account 587	OX_587	1.00000	0.96227
AP 196	Account 588	OX_588	1.00000	0.93136
AP 197	Account 589	OX_589	1.00000	0.93136
AP 198	Account 590	MX_590	1.00000	0.94264
AP 199	Account 592	MX_592	1.00000	0.83500
AP 200	Account 593	MX_593	1.00000	0.94855
AP 201	Account 594	MX_594	1.00000	0.97860
AP 202	Account 595	MX_595	1.00000	0.96190
AP 203	Account 596	MX_596	1.00000	0.95877
AP 204	Account 597	MX_597	1.00000	0.96227
AP 205	Account 598	MX_598	1.00000	0.93136
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.93301
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.94264
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.93301
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.94264
AP 210				
AP 211	Account 902	OX_902	1.00000	0.96116
AP 212	Account 903	OX_903	1.00000	0.96116
AP 213	Account 904	OX_904	1.00000	0.96826
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.96234
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.96234
AP 216				
AP 217	Account908	OX_908	1.00000	0.96116
AP 218	Account909	OX_909	1.00000	0.96116
AP 219	Account910	OX_910	1.00000	0.96116
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.96116
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.96116
AP 222				
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.91240
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.91240
AP 225				
AP 226				
AP 227				
AP 228				
AP 229				
AP 230				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 231	REVENUES AND BILLING DETERMINANTS			
AP 232				
AP 233	Base Rate Sales Revenue	SALESREV	1.00000	0.90028
AP 234	South Dakota	SREVSD	1.00000	1.00000
AP 235	Wyoming	SREVVY	1.00000	0.00000
AP 236	Montana	SREVMT	1.00000	0.00000
AP 237				
AP 238				
AP 239				
AP 240	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.89809
AP 241				
AP 242				
AP 243				
AP 244				
AP 245				
AP 246	PRESENT REVENUES FROM SALES INPUT			
AP 247				
AP 248	Total Sales of Electricity Revenues		1.00000	0.90028
AP 249				
AP 250	Sales of Electricity Revenues		1.00000	0.90028
AP 251				
AP 252				
AP 253				
AP 254				
AP 255				
AP 256				
AP 257				
AP 258				
AP 259				
AP 260				
AP 261				
AP 262				
AP 263				
AP 264				
AP 265				
AP 266				
AP 267				
AP 268				
AP 269				
AP 270				
AP 271				
AP 272				
AP 273				
AP 274				
AP 275				
AP 276				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS			
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS			
ADA 3				
ADA 4	Write-Offs - Test Period			
ADA 5	South Dakota	SREVSD	559,949	559,949
ADA 6	Wyoming	SREVVY	18,357	0
ADA 7	Montana	SREVMY	0	0
ADA 8				
ADA 9				
ADA 10				
ADA 11				
ADA 12				
ADA 13				
ADA 14				
ADA 15	Total Write-Offs	EXP_904	578,305	559,949
ADA 16				
ADA 17	Total Write-Offs	EXP_904	1.00000	0.96826
ADA 18				
ADA 19	Construction Advances			
ADA 20	South Dakota	DPLTSD	98%	98%
ADA 21	Wyoming	DPLTWY	2%	0%
ADA 22	Montana	DPLTMT	0%	0%
ADA 23				
ADA 24				
ADA 25				
ADA 26				
ADA 27	Customer Advances for Construction	CUSTADV	100%	98%
ADA 28				
ADA 29	Customer Advances for Construction	CUSTADV	1.00000	0.98000
ADA 30				
ADA 31				
ADA 32				
ADA 33				
ADA 34				
ADA 35				
ADA 36				
ADA 37				
ADA 38				
ADA 39				
ADA 40				
ADA 41				
ADA 42				
ADA 43				
ADA 44				
ADA 45				
ADA 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

STATEMENT N
 Page 34 of 34

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
RRW 1	REVENUE REQUIREMENTS			
RRW 2				
RRW 3	PRESENT RATES			
RRW 4	-----			
RRW 5	RATE BASE		530,281,754	419,344,691
RRW 6	NET OPER INC (PRESENT RATES)		46,814,259	33,656,260
RRW 7	RATE OF RETURN (PRES RATES)		8.83%	8.03%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.91
RRW 9	SALES REVENUE (PRE RATES)		162,976,438	146,724,130
RRW 10				
RRW 11				
RRW 12				
RRW 13				
RRW 14	CLAIMED RATE OF RETURN			
RRW 15	-----			
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		44,967,893	35,560,430
RRW 18	SALES REVENUE REQ CLAIMED ROR		160,135,874	149,653,623
RRW 19	REVENUE DEFICIENCY SALES REV		(2,840,564)	2,929,493
RRW 20	PERCENT INCREASE REQUIRED		-1.74%	1.96%
RRW 21	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 22				
RRW 23				
RRW 24				
RRW 25	PROPOSED REVENUES			
RRW 26	-----			
RRW 27	PROPOSED SALES REVENUES		160,135,874	149,653,623
RRW 28	REVENUE DEFICIENCY SALES REV		(2,840,564)	2,929,493
RRW 29	PERCENT INCREASE PROPOSED		-1.74%	1.96%
RRW 30	PROPOSED RATE OF RETURN		8.48%	8.48%
RRW 31	RETURN REQ FOR PROPOSED REV		44,967,891	35,560,430
RRW 32	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 33				
RRW 34				
RRW 35				
RRW 36				
RRW 37				
RRW 38				
RRW 39				
RRW 40				
RRW 41				
RRW 42				
RRW 43				
RRW 44				
RRW 45				
RRW 46				

Section N

20:10:13:97. Statement N -- Allocated Cost of Service by Jurisdiction. Statement N shall show for the test period the cost of service allocated to the jurisdictional sales or services for which the increased rates or charges are proposed, including the principal determinants used for allocation purposes. Allocated cost of service per books and per claimed adjustments shall be shown separately. This statement shall show the following for the overall cost of service:

- (1) Grouping and allocation of various items of cost and credits to cost of service into functional totals;
- (2) Classification of items of cost and credits into demand, energy, customer, or other appropriate categories;
- (3) If the filing public utility considers for rate purposes certain special facilities to be devoted entirely to the jurisdictional service involved, it shall show, in addition to the overall cost of service, the cost of service related to the special facilities;
- (4) Computations showing the energy responsibilities of the jurisdictional service, based upon consideration of energy sales under the proposed rate schedules and the KWH, MCF or BTU delivered from the filing public utility's supply system;
- (5) Estimated peak electric hour or peak gas period and annual energy or system losses applicable to jurisdictional sales expressed as a percentage of system output;
- (6) Details of allocation of general or common or joint costs to various functions;
- (7) Sufficient detailed breakdown of operation and maintenance expense accounts and taxes to disclose how component items have been classified among energy, class of customer, or other category of cost.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

Statement N -- Allocated Cost of Service per Books.
Schedule N-1 -- Allocated Cost of Service as Adjusted.

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
M 1	SUMMARY AT PRESENT RATES			
M 2				
M 3	DEVELOPMENT OF RETURN			
M 4				
M 5	OPERATING REVENUE	Sched N-1 Reference		
M 6	Sales of Electricity	SCH I, LN 4	134,872,015	124,169,353
M 7	Contract Sales	SCH I, LN 5	21,472,488	19,288,845
M 8	Other Operating Revenue	SCH I, LN 15	28,599,307	5,800,779
M 9	TOTAL OPERATING REVENUE		184,943,810	149,258,977
M 10				
M 11	OPERATING EXPENSES			
M 12	Operation and Maintenance Expense	SCH H, LN 178	79,980,969	67,628,526
M 13	Depreciation Expense	SCH J, LN 28	31,494,618	26,137,533
M 14	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	5,426,022	4,199,038
M 16	State Income Tax	SCH K, LN 10	3,403	0
M 17	Federal Income Tax	SCH K, LN 32	15,153,994	10,753,377
M 18	TOTAL OPERATING EXPENSES		136,456,828	112,750,105
M 19				
M 20	OPERATING INCOME (RETURN)		48,486,982	36,508,872
M 21				
M 22				
M 23	DEVELOPMENT OF RATE BASE			
M 24	Electric Plant in Service	SCH D-2, LN 116	1,108,693,584	901,099,320
M 25	Less: Accumulated Depreciation	SCH E, LN 28	310,786,354	251,710,991
M 26	Less: Amortization	SCH E, LN 30	3,156,280	2,835,303
M 27	Plus: Working Capital	SCH F, LN 9	17,824,259	13,863,166
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	147,216,237	117,714,228
M 29				
M 30	TOTAL RATE BASE	SCH F, LN 29	665,358,973	542,701,964
M 31				
M 32				
M 33	RATE OF RETURN (PRESENT)		7.29%	6.73%
M 34				
M 35	INDEX RATE OF RETURN (PRESENT)		1.00	0.92
M 36				
M 37				
M 38				
M 39				
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BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 47	EQUALIZED RETURN AT PROPOSED ROR			
M 48				
M 49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)			
M 50				
M 51	RATE BASE		665,358,973	542,701,964
M 52				
M 53	RATE OF RETURN		8.48%	8.48%
M 54				
M 55	RETURN (RATE BASE * ROR)		56,422,441	46,021,127
M 56				
M 57	LESS:			
M 58	OPERATING EXPENSES	<u>Sched N-1 Reference</u>		
M 59	Operation and Maintenance Expense	SCH M, LN 12	79,980,969	67,628,526
M 60	Depreciation Expense	SCH M, LN 13	31,494,618	26,137,533
M 61	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 62	Taxes Other Than Income Taxes	SCH M, LN 15	5,426,022	4,199,038
M 63	State Income Tax	CALCULATED	3,403	0
M 64	Federal Income Tax	CALCULATED	19,426,934	15,875,360
M 65	TOTAL OPERATING EXPENSES		140,729,768	117,872,089
M 66				
M 67	EQUALS TOTAL COST OF SERVICE		197,152,209	163,893,215
M 68				
M 69	LESS:			
M 70	OTHER OPERATING REVENUES		50,071,795	25,089,624
M 71				
M 72	EQUALS:			
M 73	PROPOSED BASE RATE SALES @ EQUALIZED ROR		147,080,413	138,803,591
M 74				
M 75				
M 76	TOTAL COST OF SERVICE INCREASE/(DECREASE)		12,208,398	14,634,238
M 77				
M 78	SALES OF ELECTRICITY		134,872,015	124,169,353
M 79	SALES OF ELECTRICITY FOR BASE ENERGY (Direct Assigment		39,231,859	33,682,213
M 80	TOTAL CURRENT RETAIL REVENUES		174,103,874	157,851,566
M 81				
M 82	REVENUE INCREASE TO RETAIL REVENUES (%)		7.01%	9.27%
M 83				
M 84				
M 85				
M 86				
M 87				
M 88				
M 89				
M 90				
M 91				
M 92				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 93	RETURN AT PROPOSED RATES			
M 94				
M 95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS			
M 96				
M 97	OPERATING REVENUE			
M 98	Sales of Electricity	SCH AF, LN 269	152,035,636	138,803,636
M 99	Contract Revenues	SCH I, LN 5	21,472,488	19,288,845
M 100	Other Operating Revenue	SCH I, LN 15	28,599,307	5,800,779
M 101	TOTAL OPERATING REVENUE		202,107,432	163,893,260
M 102				
M 103	OPERATING EXPENSES			
M 104	Operation and Maintenance Expense	SCH H, LN 178	79,980,969	67,628,526
M 105	Depreciation Expense	SCH J, LN 28	31,494,618	26,137,533
M 106	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 107	Taxes Other Than Income Taxes	SCH L, LN 20	5,426,022	4,199,038
M 108	State Income Tax	CALCULATED	3,403	0
M 109	Federal Income Tax	CALCULATED	19,426,934	15,875,360
M 110	TOTAL OPERATING EXPENSES		140,729,768	117,872,089
M 111				
M 112	OPERATING INCOME (RETURN) AT PROPOSED RATES		61,377,664	46,021,171
M 113				
M 114				
M 115	RATE BASE	SCH M, LN 30	665,358,973	542,701,964
M 116				
M 117				
M 118	RATE OF RETURN		9.22%	8.48%
M 119				
M 120	INDEX RATE OF RETURN		1.00	0.92
M 121				
M 122				
M 123	PROPOSED TOTAL REVENUE INCREASE (\$)		14,634,238	14,634,238
M 124				
M 125	SALES OF ELECTRICITY		134,872,015	124,169,353
M 126	SALES OF ELECTRICITY FOR BASE ENERGY COSTS		39,231,859	33,682,213
M 127	TOTAL CURRENT RETAIL REVENUES		174,103,874	157,851,566
M 128				
M 129	REVENUE INCREASE TO RETAIL REVENUES (%)		8.41%	9.27%
M 130				
M 131				
M 132				
M 133				
M 134				
M 135				
M 136				
M 137				
M 138				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1	1	DEVELOPMENT OF RATE BASE		
D-1	2			
D-1	3	ELECTRIC PLANT IN SERVICE		
D-1	4			
D-1	5	PRODUCTION PLANT		
D-1	6	Steam Plant		
D-1	7	310-Land & Land Rights	DPROD 333,639	299,710
D-1	8	311-Structures & Improve	DPROD 40,487,096	36,369,764
D-1	9	312-Boiler Plant Equipment	DPROD 239,281,173	214,947,494
D-1	10	313-Engines and Engine Driver Generator	DPROD 341,878	307,111
D-1	11	314-Turbogenerator Units	DPROD 125,463,205	112,704,235
D-1	12	315-Accessory Electric Equipment	DPROD 24,458,357	21,971,066
D-1	13	316-Misc Power Plant Equipment	DPROD 3,856,198	3,464,042
D-1	14	106-Completed Not Classified Production Plant	DPROD 3,628,149	3,259,185
D-1	15	Steam Plant Additions/Retirements	DPROD (38,426,023)	(34,518,292)
D-1	16	Total Steam Plant	399,423,672	358,804,315
D-1	17			
D-1	18			
D-1	19	Other Production Plant		
D-1	20	340-Land & Land Rights	DPROD 2,705	2,430
D-1	21	341-Structures and Improvements	DPROD 516,826	464,267
D-1	22	342-Fuel Holders, Producers, & Access	DPROD 5,328,853	4,786,936
D-1	23	344-Generators	DPROD 69,138,920	62,107,843
D-1	24	345-Accessory Electric Equipment	DPROD 4,867,260	4,372,284
D-1	25	346-Misc Power Plant Equipment	DPROD 82,868	74,441
D-1	26	106-Completed Not Classified Oth Prod Plt	DPROD 548,895	493,075
D-1	27	Other Prod Plant Additions/Annualization	DPROD 94,966,164	85,308,588
D-1	28	Total Other Production Plant	175,452,491	157,609,865
D-1	29			
D-1	30	TOTAL PRODUCTION PLANT	574,876,163	516,414,181
D-1	31			
D-1	32			
D-1	33	TRANSMISSION PLANT		
D-1	34	350-Land & Land Rights	DTRAN 5,745,930	189,539
D-1	35	352-Structures & Improvements	DTRAN 1,782,604	58,802
D-1	36	353-Station Equipment	DTRAN 48,927,254	1,613,949
D-1	37	354-Tower and Fixtures	DTRAN 864,826	28,528
D-1	38	355-Poles & Fixtures	DTRAN 28,021,035	924,322
D-1	39	356-Overhead Conductors & Devices	DTRAN 29,422,077	970,537
D-1	40	359-Roads and Trails	DTRAN 6,920	6,295
D-1	41	106-Completed Not Classified Transmission Plt	DTRAN 263,253	0
D-1	42	Transmission Plant Additions/Annualization	DTRAN 0	0
D-1	43	TOTAL TRANSMISSION PLANT	115,033,899	3,791,973
D-1	44			
D-1	45			
D-1	46			

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1 47	ELECTRIC PLANT IN SERVICE CONTINUED			
D-1 48				
D-1 49	DISTRIBUTION PLANT			
D-1 50	360-Land & Land Rights	Direct Assignment	2,106,585	2,022,060
D-1 51	361-Structures & Improvements	Direct Assignment	708,861	700,802
D-1 52	362-Station Equipment	Direct Assignment	71,650,994	58,163,248
D-1 53	364-Poles, Towers & Fixtures			
D-1 54	Primary - Demand		53,624,432	50,761,939
D-1 55	Secondary - Demand		14,177,353	13,420,561
D-1 56	Total Account 364	Direct Assignment	67,801,785	64,182,500
D-1 57	365-Overhead Conductors & Devices			
D-1 58	Primary - Demand		35,661,461	33,938,217
D-1 59	Secondary - Demand		6,121,153	5,825,365
D-1 60	Total Account 365	Direct Assignment	41,782,614	39,763,582
D-1 61	366-Underground Conduit			
D-1 62	Primary - Demand		2,423,473	2,378,767
D-1 63	Secondary - Demand		1,658,510	1,627,915
D-1 64	Total Account 366	Direct Assignment	4,081,983	4,006,682
D-1 65	367-Underground Conductors & Devices			
D-1 66	Primary - Demand		20,306,834	19,866,165
D-1 67	Secondary - Demand		19,354,951	18,934,938
D-1 68	Total Account 367	Direct Assignment	39,661,786	38,801,103
D-1 69	368-Line Transformers			
D-1 70	Demand		35,013,434	33,679,565
D-1 71	Total Account 368	Direct Assignment	35,013,434	33,679,565
D-1 72	369-Services	Direct Assignment	29,259,736	28,556,304
D-1 73	370-Meters	Direct Assignment	6,989,275	6,690,268
D-1 74	371-Installation on Customer Premises	Direct Assignment	2,177,398	2,091,882
D-1 75	373-Street Lighting & Signal Systems	Direct Assignment	1,726,403	1,650,961
D-1 76	106 - Comp Not Class and Alloc. Additions	DISTPLTXNC	14,735,044	13,723,662
D-1 77	Distribution Plant Additions - Direct Assigned	Direct Assignment	16,377,387	16,377,387
D-1 78	TOTAL DISTRIBUTION PLANT		334,073,283	310,410,006
D-1 79				
D-1 80				
D-1 81				
D-1 82	TOTAL PROD, TRANS, & DIST PLANT		1,023,983,345	830,616,159
D-1 83				
D-1 84				
D-1 85				
D-1 86				
D-1 87				
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D-1 91				
D-1 92				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1 93	ELECTRIC PLANT IN SERVICE CONTINUED			
D-1 94				
D-1 95	GENERAL PLANT			
D-1 96	389-Land and Land Rights	SALWAGES	853,197	682,899
D-1 97	390-Structures and Improvements	SALWAGES	11,778,669	9,427,643
D-1 98	391-Office Furniture & Equipment	SALWAGES	8,175,825	6,543,927
D-1 99	392-Transportation Equipment	SALWAGES	7,686,751	6,152,473
D-1 100	393-Store Equipment	SALWAGES	331,885	265,641
D-1 101	394-Tools, Shop & Garage Equip.	SALWAGES	4,240,319	3,393,950
D-1 102	395-Laboratory Equipment	SALWAGES	366,125	293,046
D-1 103	396-Power Operated Equipment	SALWAGES	834,087	667,603
D-1 104	397-Communication Equipment	SALWAGES	8,173,417	6,542,000
D-1 105	398-Miscellaneous Equipment	SALWAGES	197,046	157,716
D-1 106	Rate Case Expense	SREVSD	750,046	750,046
D-1 107	106-Completed Not Classified General Plant	SALWAGES	1,852,886	1,698,603
D-1 108	General Plant Additions/Annualization	SALWAGES	6,803,547	6,237,040
D-1 109	TOTAL GENERAL PLANT		52,043,800	42,812,585
D-1 110				
D-1 111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	27,796,131	23,295,553
D-1 112				
D-1 113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,870,308	4,375,022
D-1 114				
D-1 115				
D-1 116	TOTAL ELECTRIC PLANT IN SERVICE		1,108,693,584	901,099,320
D-1 117				
D-1 118				
D-1 119				
D-1 120				
D-1 121				
D-1 122				
D-1 123				
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D-1 138				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
E 1	LESS: ACCUMULATED DEPRECIATION			
E 2				
E 3	PRODUCTION PLANT ACCUM DEPRECIATION	PRODPLT	140,772,556	126,456,703
E 4				
E 5	TRANSMISSION PLANT ACCUM DEPREC	TRANPLT	31,521,044	748,960
E 6				
E 7	DISTRIBUTION PLANT ACCUM DEPRECIATION			
E 8	360-Land & Land Rights	PLT_360	(42,910)	(41,188)
E 9	361-Structures & Improvements	PLT_361	159,696	157,880
E 10	362-Station Equipment	PLT_362	25,117,149	20,603,201
E 11	364-Poles, Towers & Fixtures	PLT_364	24,530,305	23,220,868
E 12	365-Overhead Conductors & Devices	PLT_365	14,036,842	13,358,550
E 13	366-Underground Conduit	PLT_366	500,534	491,301
E 14	367-Underground Conductors & Devices	PLT_367	15,078,398	14,751,188
E 15	368-Line Transformers	PLT_368	12,284,621	11,816,627
E 16	369-Services	PLT_369	9,900,724	9,662,701
E 17	370-Meters	PLT_370	(2,074,770)	(1,986,010)
E 18	371-Installation on Customer Premises	PLT_371	850,997	817,575
E 19	373-Street Lighting & Signal Systems	PLT_373	823,773	787,775
E 20	Accum Dep Adj for WY Distribution Additions	Direct Assignment	221,095	221,095
E 21	Unspecified and Accum Dep Adjustment	DISTPLT	47,489	44,390
E 22	TOTAL DISTRIBUTION PLANT ACCUM DEPR		101,433,943	93,905,953
E 23				
E 24	GENERAL PLANT ACCUM DEPRECIATION	GENLPLT	19,467,573	15,927,678
E 25				
E 26	OTHER UTILITY ACCUM DEPRECIATION	SALWAGES	17,591,238	14,671,698
E 27				
E 28	TOTAL ACCUMULATED DEPRECIATION		310,786,354	251,710,991
E 29				
E 30	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	3,156,280	2,835,303
E 31				
E 32	NET ELECTRIC PLANT IN SERVICE		794,750,950	646,553,026
E 33				
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E 46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE			
F 2				
F 3	PLUS: ADDITIONS TO RATE BASE			
F 4	WORKING CAPITAL			
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,393,853)	(5,360,457)
F 6	Fuel Inventory	ENEFUEL	7,291,312	6,389,875
F 7	Materials and Supplies	TOTPLT	14,984,427	12,332,720
F 8	Prepayments	OMXFPP	942,373	501,028
F 9	TOTAL WORKING CAPITAL		17,824,259	13,863,166
F 10				
F 11	LESS: DEDUCTIONS TO RATE BASE			
F 12	Customer Advances for Construction	CUSTADV	1,347,225	1,339,142
F 13	Regulatory Assets - S&W Related	SALWAGES	(27,598,836)	(25,300,778)
F 14	Regulatory Assets - Plant Related	TOTPLT	(9,021,554)	(3,306,466)
F 15	Regulatory Assets - Decommissioning	PRODPLT	(13,890,856)	(12,478,227)
F 16	Regulatory Assets - Storm Atlas	Direct Assignment	(3,310,806)	(3,310,806)
F 17	Regulatory Liabilities - S&W Related	SALWAGES	42,807,503	39,243,073
F 18	Regulatory Liabilities - Plant Related	TOTPLT	736,378	671,583
F 19	Deferred Income Taxes and Credits			
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(10,410,867)	(9,494,797)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(23,131,246)	(21,205,189)
F 22	Deferred Income Tax - Customer (Debit)	CUST	356,564	342,714
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	184,947,309	147,193,716
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	4,385,423	4,020,264
F 25	Total Deferred Income Taxes and Credits		156,147,183	120,856,708
F 26	TOTAL DEDUCTIONS TO RATE BASE		147,216,237	117,714,228
F 27				
F 28				
F 29	TOTAL RATE BASE		665,358,973	542,701,964
F 30				
F 31				
F 32				
F 33				
F 34				
F 35				
F 36				
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BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F-3	1	CASH WORKING CAPITAL (LEAD LAG)		
F-3	2			
F-3	3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL		
F-3	4	Purchased Fuel (Coal, Gas, & Oil)	0	0
F-3	5	Coal Transportation	0	0
F-3	6	Natural Gas - Other Production	0	0
F-3	7	Purchased Power	19,707	17,703
F-3	8	Transmission	0	0
F-3	9	Labor	37,646	34,511
F-3	10	Employee Benefits	49	45
F-3	11	Service Company Charges	95,552	87,596
F-3	12	Other O&M	56,148	51,471
F-3	13	Wyodak Power Plant O&M	10,025	9,006
F-3	14	TOTAL O&M	219,127	200,331
F-3	15			
F-3	16	TAXES OTHER THAN INCOME TAXES		
F-3	17	Property Taxes	13,815	12,599
F-3	18	Unemployment Taxes (FUTA & SUTA)	280	257
F-3	19	Montana Electric Energy	43	0
F-3	20	Wyoming Franchise Tax	176	0
F-3	21	South Dakota PUC	686	686
F-3	22	Wyoming PSC	0	0
F-3	23	FICA Taxes - Employer's	8,297	7,606
F-3	24	TOTAL TAXES OTHER THAN INCOME TAXES	23,297	21,148
F-3	25			
F-3	26	Depreciation Expense	86,287	122,093
F-3	27	Amortization Expense	12,049	10,824
F-3	28	TOTAL DEPRECIATION/AMORTIZATION	98,335	132,917
F-3	29			
F-3	30	FEDERAL INCOME TAXES	53,224	48,652
F-3	31			
F-3	32	INTEREST EXPENSE	56,523	51,549
F-3	33			
F-3	34	GRAND TOTAL	450,507	454,598
F-3	35			
F-3	36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)	(4,216,746)	(4,255,037)
F-3	37			
F-3	38	LESS: TAX COLLECTIONS AVAILABLE	(1,177,107)	(1,105,420)
F-3	39			
F-3	40	NET CASH WORKING CAPITAL REQUIREMENT	(5,393,853)	(5,360,457)
F-3	41			
F-3	42			
F-3	43			
F-3	44			
F-3	45			
F-3	46			

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F-3	1			
F-3	2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED		
F-3	3			
F-3	4	<u>LAG/LEAD DAYS</u>		
F-3	5	REVENUE LAG DAYS	33.98	
F-3	6	EXPENSE LEAD DAYS	43.34	
F-3	7	NET DAYS	(9.36)	
F-3	8			
F-3	9	TAX COLLECTIONS AVAILABLE		
F-3	10	FICA Taxes (Employee Contribution)	(71,445)	(65,496)
F-3	11	Federal Withholding Tax	(139,530)	(127,912)
F-3	12	South Dakota Sales and Use Tax	(912,012)	(912,012)
F-3	13	Wyoming Sales and Use Tax	(54,120)	0
F-3	14	TOTAL TAX COLLECTIONS AVAILABLE	(1,177,107)	(1,105,420)
F-3	15			
F-3	16			
F-3	17			
F-3	18			
F-3	19			
F-3	20			
F-3	21			
F-3	22			
F-3	23			
F-3	24			
F-3	25			
F-3	26			
F-3	27			
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F-3	46			

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
1	OPERATING REVENUES			
2				
3	SALES REVENUES			
4	Sales of Electricity Revenues		134,872,015	124,169,353
5	Contract Revenues	DPROD	21,472,488	19,288,845
6	TOTAL SALES OF ELECTRICITY		156,344,503	143,458,198
7				
8	OTHER OPERATING REVENUES			
9	Unbilled and Cost Adjustment Revenue	Direct Assignment	0	
10	Demand Side Management Revenue	Direct Assignment	(968,002)	(968,002)
11	450-Forfeited Discounts	Direct Assignment	267,907	258,273
12	451-Miscellaneous Service Revenues	Direct Assignment	462,921	455,894
13	454-Rent from Electric Property	TDPLT	6,479,425	6,054,614
14	456-Other Electric Revenues - Transmission	TRANPLT	22,357,056	0
15	TOTAL OTHER OPERATING REV		28,599,307	5,800,779
16				
17	TOTAL OPERATING REVENUES		184,943,810	149,258,977
18				
19				
20				
21				
22				
23				
24				
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BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 1				
H 2	OPERATION & MAINTENANCE EXPENSE			
H 3				
H 4				
H 5	PRODUCTION EXPENSE			
H 6				
H 7	Steam Production Operation			
H 8	500-Supervision & Engineering	SALWAGPO	1,754,177	1,575,786
H 9	501-Fuel	ENEFUEL	0	0
H 10	502-Steam Expense	DPROD	2,113,186	1,898,285
H 11	505-Electric Expense	DPROD	1,166,615	1,047,976
H 12	506-Miscellaneous Steam Power Expense	DPROD	784,580	704,792
H 13	507-Rent	DPROD	3,058,905	2,747,830
H 14	509-Allowances	DPROD	0	0
H 15	Total Steam Production Operation		8,877,463	7,974,670
H 16				
H 17	Steam Production Maintenance			
H 18	510-Supervision & Engineering	SALWAGPM	1,487,084	1,335,855
H 19	511-Maintenance of Structures	DPROD	758,656	681,505
H 20	512-Maintenance of Boilers	DPROD	3,430,455	3,081,595
H 21	513-Maintenance of Electric Plant	DPROD	605,885	544,270
H 22	514-Maintanance of Miscellaneous Steam Plant	DPROD	131,497	118,124
H 23	Total Steam Production Maintenance		6,413,578	5,761,349
H 24				
H 25	Total Steam Production Expense		15,291,040	13,736,019
H 26				
H 27	Other Production Operation			
H 28	546-Operation Supervision and Engineering	SALWAGPO	345,436	310,307
H 29	547-Fuel	ENEFUEL	0	0
H 30	548-Generation Expense	DPROD	678,743	609,718
H 31	549-Miscellaneous Other Power Generation	DPROD	1,149,191	1,032,324
H 32	550-Rents	DPROD	227,411	204,285
H 33	Total Other Production Operation		2,400,781	2,156,634
H 34				
H 35	Other Production Maintenance			
H 36	551-Supervision & Engineering	SALWAGPM	205,449	184,556
H 37	552-Structures	DPROD	96,721	86,885
H 38	553-Maintenance of Generating and Electric Plant	DPROD	2,120,441	1,904,803
H 39	554-Maintenance of Miscellaneous Other Power	DPROD	574,515	516,089
H 40	556-System Control and Load Dispatching	DPROD	1,260,938	1,132,707
H 41	557-Other Expenses	DPROD	2,000	1,797
H 42	Total Other Production Maintenance		4,260,063	3,826,836
H 43				
H 44	Total Other Production Expense		6,660,844	5,983,470
H 45				
H 46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 47	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 48				
H 49				
H 50	PRODUCTION EXPENSE (CONT.)			
H 51				
H 52	Other Power Supply			
H 53	555 - Purchased Power - Energy	ENERGY1	0	0
H 54	555 - Purchased Power - Capacity	DPROD	7,192,960	6,461,473
H 55	Total Other Power Supply		7,192,960	6,461,473
H 56				
H 57	TOTAL PRODUCTION EXPENSE		29,144,845	26,180,962
H 58				
H 59				
H 60	TRANSMISSION EXPENSES			
H 61				
H 62	Operation			
H 63	560-Supervision & Engineering	SALWAGTO	874,969	187,969
H 64	561-Load Dispatch	TRANPLT	2,487,668	0
H 65	562-Station Equipment	TRANPLT	315,470	0
H 66	563-Overhead Lines	TRANPLT	80,121	17,212
H 67	565-Transmission of Electricity by Others	TRANPLT	0	0
H 68	566-Miscellaneous	TRANPLT	131,053	28,154
H 69	567-Rents	TRANPLT	0	0
H 70	Total Transmission Operation		3,889,282	233,336
H 71				
H 72	Maintenance			
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	55	50
H 74	569-Maintenance of Structures	TRANPLT	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	151,064	32,453
H 76	571-Maintenance of Overhead Lines	TRANPLT	76,749	16,488
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,108	1,008
H 79	Total Transmission Maintenance		228,975	49,999
H 80				
H 81	TOTAL TRANSMISSION EXPENSE		4,118,257	283,335
H 82				
H 83				
H 84				
H 85				
H 86				
H 87				
H 88				
H 89				
H 90				
H 91				
H 92				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 93	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 94				
H 95				
H 96	DISTRIBUTION EXPENSES			
H 97	Operation			
H 98	580-Supervision	SALWAGDO	1,735,413	1,620,799
H 99	581-Load Dispatch	DISTPLT	641,549	599,687
H 100	582-Station Equipment	PLT_362	449,127	375,020
H 101	583-Overhead Lines	OHDIST	486,016	461,010
H 102	584-Underground Lines	UGDIST	305,099	298,571
H 103	585-Street Lighting	PLT_3713	1	1
H 104	586-Metering	CMETERS	786,540	756,867
H 105	587-Customer Installations	CMETERS	22,761	21,902
H 106	588-Miscellaneous	DISTPLT	366,951	343,006
H 107	589-Rents	DISTPLT	17,727	16,570
H 108	Total Distribution Operation		4,811,184	4,493,432
H 109				
H 110	Maintenance			
H 111	590-Supervision	SALWAGDM	1,250	1,179
H 112	591-Structures	DISTPLT	0	0
H 113	592-Station Equipment	PLT_362	287,790	240,304
H 114	593-Overhead Lines	OHDIST	3,708,522	3,517,711
H 115	594-Underground Lines	UGDIST	234,388	229,373
H 116	595-Transformers	PLT_368	47,646	45,831
H 117	596-Street Lighting	PLT_3713	56,846	54,502
H 118	597-Metering	CMETERS	69,156	66,547
H 119	598-Miscellaneous	DISTPLT	94,932	88,738
H 120	Total Distribution Maintenance		4,500,529	4,244,184
H 121				
H 122	TOTAL DISTRIBUTION EXPENSES		9,311,713	8,737,617
H 123				
H 124	TOTAL OPER & MAINT EXP (PROD,TRAN,& DIST)		42,574,815	35,201,914
H 125				
H 126				
H 127				
H 128				
H 129				
H 130				
H 131				
H 132				
H 133				
H 134				
H 135				
H 136				
H 137				
H 138				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 139	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 140				
H 141				
H 142	CUSTOMER ACCOUNTS EXPENSES			
H 143	901-Supervision	SALWAGCA	53,158	51,163
H 144	902-Meter Reading	CMETRDG	19,927	19,153
H 145	903-Customer Records and Collection Expense	CUSTREC	1,208,197	1,161,267
H 146	904-Uncollectible Accounts	EXP_904	419,942	406,612
H 147	905-Miscellaneous CA	CUSTCAM	603,770	580,318
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,304,995	2,218,513
H 149				
H 150				
H 151	CUSTOMER SERVICE EXPENSES			
H 152	907-Supervision	SALWAGCS	204,020	196,095
H 153	908-Customer Assistance	CUSTASST	1,310,988	1,260,065
H 154	909-Advertisement	CUSTADVT	12,439	11,956
H 155	910-Miscellaneous CS	CUSTCSM	61,173	58,797
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,588,621	1,526,913
H 157				
H 158	SALES EXPENSES TOTAL	SALESREV	29,948	27,571
H 159				
H 160	TOTAL OPER & MAINT EXCL A&G		46,498,379	38,974,911
H 161				
H 162	ADMINISTRATIVE & GENERAL EXPENSE			
H 163	920-Administrative Salaries	SALWAGES	18,994,070	15,344,499
H 164	921-Office Supplies & Expense	SALWAGES	3,515,033	3,222,349
H 165	922-A&G Expense Transferred	SALWAGES	(43,983)	(40,321)
H 166	923-Outside Services	SALWAGES	2,901,746	2,660,128
H 167	xxx-Rate Case Expenses	SREVSD	318,061	318,061
H 168	924-Property Insurance	TOTPLT	856,357	781,005
H 169	925-Injuries and Damages	SALWAGES	2,569,267	2,355,333
H 170	926-Pensions & Benefits	SALWAGES	711,159	651,943
H 171	928-Regulatory Commission	SALESREV	550,134	506,479
H 172	930.1-General Advertising	SALWAGES	37,820	34,671
H 173	930.2-Miscellaneous General	SALWAGES	1,270,172	1,164,409
H 174	931-Rents	GENLPLT	545,039	500,385
H 175	932-Maintenance of General Plant	GENLPLT	1,257,715	1,154,674
H 176	TOTAL A&G EXPENSE		33,482,591	28,653,615
H 177				
H 178	TOTAL OPERATION & MAINTENANCE EXPENSES		79,980,969	67,628,526
H 179				
H 180				
H 181				
H 182				
H 183				
H 184				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
J	1	DEPRECIATION/AMORTIZATION EXPENSE		
J	2			
J	3	PRODUCTION PLANT EXPENSE	16,299,694	14,642,098
J	4			
J	5	TRANSMISSION PLANT EXPENSE	2,469,908	85,699
J	6			
J	7	DISTRIBUTION PLANT EXPENSE		
J	8	360-Land & Land Rights	0	0
J	9	361-Structures & Improvements	19,139	18,922
J	10	362-Station Equipment	1,934,577	1,453,684
J	11	364-Poles, Towers & Fixtures	1,830,648	1,732,927
J	12	365-Overhead Conductors & Devices	1,128,131	1,073,617
J	13	366-Underground Conduit	110,214	108,180
J	14	367-Underground Conductors & Devices	1,070,868	1,047,630
J	15	368-Line Transformers	945,363	909,348
J	16	369-Services	790,013	771,020
J	17	370-Meters	188,710	180,637
J	18	371-Installation on Customer Premises	58,790	56,481
J	19	373-Street Lighting & Signal Systems	46,613	44,576
J	20	Dep Adj for SD Distribution Additions	442,189	442,189
J	21	Distribution Plant Annualization	397,846	371,886
J	22	TOTAL DISTRIBUTION PLANT EXPENSE	8,963,100	8,211,097
J	23			
J	24	GENERAL PLANT EXPENSE	1,635,464	1,249,250
J	25			
J	26	OTHER UTILITY DEPRECIATION EXPENSE	2,126,452	1,949,390
J	27			
J	28	TOTAL DEPRECIATION EXPENSE	31,494,618	26,137,533
J	29			
J	30	PLANT ACQUISITION ADJUSTMENT	4,397,822	4,031,631
J	31			
J	32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE	35,892,440	30,169,164
J	33			
J	34			
J	35			
J	36			
J	37			
J	38			
J	39			
J	40			
J	41			
J	42			
J	43			
J	44			
J	45			
J	46			

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
L 1	OTHER OPERATING EXPENSES			
L 2				
L 3	TAXES OTHER THAN INCOME TAXES			
L 4	Federal Taxes			
L 5	FICA Tax	SALWAGES	3,028,493	2,626,261
L 6	Unemployment Tax	SALWAGES	21,474	19,686
L 7				
L 8	State Taxes			
L 9	Unemployment Tax	SALWAGES	80,601	73,890
L 10	Montana Electric Energy Tax	SREVMT	15,777	0
L 11	Wyoming Franchise Taxes	SREVWY	64,059	0
L 12	South Dakota PUC Tax	SREVSD	250,238	250,238
L 13	Wyoming Sales Tax	SREVWY	0	0
L 14				
L 15	Local Taxes			
L 16	Property	TOTPLT	5,042,451	4,049,818
L 17				
L 18	TOIT - Payroll Loading & Other	SALWAGES	(3,077,071)	(2,820,854)
L 19				
L 20	TOTAL TAXES OTHER THAN INCOME		5,426,022	4,199,038
L 21				
L 22				
L 23				
L 24				
L 25				
L 26				
L 27				
L 28				
L 29				
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L 31				
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L 46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
K	1	DEVELOPMENT OF INCOME TAXES		
K	2			
K	3	TOTAL OPERATING REVENUES	184,943,810	149,258,977
K	4			
K	5	LESS:		
K	6	OPERATION & MAINTAINENCE EXPENSE	79,980,969	67,628,526
K	7	DEPRECIATION EXPENSE	31,494,618	26,137,533
K	8	AMORTIZATION EXPENSE	4,397,822	4,031,631
K	9	TAXES OTHER THAN INCOME TAXES	5,426,022	4,199,038
K	10	MT STATE INCOME TAXES	3,403	0
K	11			
K	12	NET OPERATING INCOME BEFORE TAXES	63,640,977	47,262,248
K	13	AFUDC	3,931,226	3,585,311
K	14	Interest Expense (Rate Base * Wtd Cost of Debt)	(20,027,304)	(16,335,329)
K	15	Subtotal	47,544,898	34,512,230
K	16			
K	17	Tax Adjustments:		
K	18	Permanent - Salaries & Wages	(926,840)	(849,665)
K	19	Permanent - Plant	(163,489)	(132,877)
K	20	Temporary - Salaries & Wages	(2,900,706)	(2,659,174)
K	21	Temporary - Plant	(11,931,703)	(9,697,584)
K	22	Temporary - Customer	(486,460)	(467,564)
K	23	Temporary - Other	1,324,870	1,211,073
K	24	Total Adjustments	(15,084,328)	(12,595,792)
K	25			
K	26	TAXABLE INCOME (NOL)	32,460,570	21,916,438
K	27			
K	28	Federal Income Tax @ 35%	11,361,199	7,670,753
K	29			
K	30	Other Tax Adjustments	3,792,795	3,082,624
K	31			
K	32	TOTAL FEDERAL INCOME TAX	15,153,994	10,753,377
K	33			
K	34	TOTAL INCOME TAXES	15,157,397	10,753,377
K	35			
K	36			
K	37			
K	38			
K	39			
K	40			
K	41			
K	42			
K	43			
K	44			
K	45			
K	46			

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
K	47			
K	48			
K	49			
K	50			
K	51			
K	52	TAX RATES		
K	53	STATE TAX RATE	0.00%	
K	54	FEDERAL TAX RATE - CURRENT	35.00%	
K	55			
K	56			
K	57			
K	58			
K	59	WEIGHTED COST OF DEBT	3.01%	
K	60			
K	61			
K	62			
K	63			
K	64			
K	65			
K	66			
K	67			
K	68			
K	69			
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K	92			

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H-1	1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR		
H-1	2			
H-1	3	PRODUCTION SALARIES & WAGES EXPENSE		
H-1	4	Operation	2,853,535	2,563,345
H-1	5	Maintenance	2,214,751	1,989,522
H-1	6	TOTAL PRODUCTION	5,068,286	4,552,867
H-1	7			
H-1	8	TRANSMISSION SALARIES & WAGES EXPENSE		
H-1	9	Operation	195,861	178,177
H-1	10	Maintenance	47,990	43,657
H-1	11	TOTAL TRANSMISSION	243,851	221,834
H-1	12			
H-1	13	DISTRIBUTION SALARIES & WAGES EXPENSE		
H-1	14	Operation	1,438,842	1,343,815
H-1	15	Maintenance	779,113	734,736
H-1	16	TOTAL DISTRIBUTION	2,217,955	2,078,550
H-1	17			
H-1	18	CUSTOMER ACCOUNTS SAL & WAGES EXP	594,100	571,810
H-1	19			
H-1	20	CUSTOMER SERVICE SAL & WAGES EXP	510,055	490,243
H-1	21			
H-1	22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP		
H-1	23	Operation	3,409,477	3,125,582
H-1	24	Maintenance	8,241	7,555
H-1	25	TOTAL ADMINISTRATIVE & GENERAL	3,417,718	3,133,137
H-1	26			
H-1	27	TOT OPER & MAINTENANCE SALARIES & WAGES	12,051,965	11,048,440
H-1	28			
H-1	29			
H-1	30			
H-1	31			
H-1	32			
H-1	33			
H-1	34			
H-1	35			
H-1	36			
H-1	37			
H-1	38			
H-1	39			
H-1	40			
H-1	41			
H-1	42			
H-1	43			
H-1	44			
H-1	45			
H-1	46			

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 1	ALLOCATION FACTOR TABLE			
AF 2	<u>DEMAND</u>			
AF 3				
AF 4	<u>DEMAND - PRODUCTION RELATED</u>			
AF 5	Demand Production (12 CP)	DPROD	263.73	236.91
AF 6				
AF 7				
AF 8				
AF 9	<u>DEMAND - TRANSMISSION RELATED</u>			
AF 10	Demand Transmission (NCP)	DTRAN	335.47	305.18
AF 11				
AF 12				
AF 13				
AF 14				
AF 15				
AF 16				
AF 17				
AF 18				
AF 19				
AF 20	<u>DEMAND - DISTRIBUTION RELATED (NCP)</u>			
AF 21	Demand Distribution Primary Substation	DDISPSUB	335.472	305.18
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	335.472	305.18
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	335.472	305.18
AF 24				
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	335.472	305.18
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	335.472	305.18
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	335.472	305.18
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	335.472	305.18
AF 29				
AF 30				
AF 31				
AF 32				
AF 33				
AF 34				
AF 35				
AF 36				
AF 37				
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AF 41				
AF 42				
AF 43				
AF 44				
AF 45				
AF 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 47	ALLOCATION FACTOR TABLE CONTINUED			
AF 48				
AF 49	<u>ENERGY</u>			
AF 50	Energy @ Generation with losses (kWh)	ENEFUEL	1,832,552	1,605,990
AF 51	Energy @ Generation with losses(kWh)	ENERGY1	1,832,552	1,605,990
AF 52	Energy @ Meter (kWh Sales)	ENERGY2	1,696,490	1,483,798
AF 53				
AF 51				
AF 55				
AF 56				
AF 57				
AF 58				
AF 59				
AF 60				
AF 61	<u>CUSTOMER</u>			
AF 62				
AF 63	Customer Dist. Primary Substation	CDISPSUB	69,664	66,958
AF 64	Customer Dist. Primary Overhead Lines	CDISTPOL	69,664	66,958
AF 65	Customer Dist. Primary Underground Lines	CDISTPUL	69,664	66,958
AF 66				
AF 67				
AF 68				
AF 69				
AF 70				
AF 71				
AF 72	369-Services	CSERVICE	335,472	305,182
AF 73	370-Meters	CMETERS	15,938,218	15,336,942
AF 74				
AF 75	902-Meter Reading	CMETRDG	835,968	803,496
AF 76	903-Customer Records and Collections	CUSTREC	835,968	803,496
AF 77	905-Miscellaneous Customer Accounts	CUSTCAM	69,664	66,958
AF 78	908-Customer Assistance	CUSTASST	69,664	66,958
AF 79	909-Advertisement	CUSTADVT	69,664	66,958
AF 80	910-Miscellaneous Customer Service	CUSTCSM	69,664	66,958
AF 81				
AF 82				
AF 83				
AF 84	371-Installation on Customer Premises	CUSTPREM	2,799	2,622
AF 85	373-Street Lighting & Signal Systems	CLIGHT	202	198
AF 86				
AF 87	Number of Bills	CUSTBILLS	835,968	803,496
AF 88	Number of Customers	CUST	69,664	66,958
AF 89				
AF 90				
AF 91				
AF 92				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 93	ALLOCATION FACTOR TABLE CONTINUED			
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AF 95				
AF 96	Plant			
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	911,123,588	830,616,159
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	300,966,668	280,308,957
AF 98	Rate Base	RATEBASE	595,402,686	542,701,964
AF 100	Total Electric Plant In Service	TOTPLT	988,038,479	901,099,320
AF 101	Production Plant In Service	PRODPLT	574,876,163	516,414,181
AF 102	Transmission Plant in Service	TRANPLT	4,168,326	3,791,973
AF 103	Distribution Plant in Service	DISTPLT	332,079,099	310,410,006
AF 104	Total Transmission and Distribution Plant	TDPLT	336,247,425	314,201,978
AF 105	General Plant in Service	GENLPLT	46,633,106	42,812,585
AF 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1,108,693,584	901,099,320
AF 107	Account 360	PLT_360	2,106,585	2,022,060
AF 108	Account 361	PLT_361	708,861	700,802
AF 109	Account 362	PLT_362	69,656,810	58,163,248
AF 110	Account 364	PLT_364	67,801,785	64,182,500
AF 111	Account 365	PLT_365	41,782,614	39,763,582
AF 112	Account 366	PLT_366	4,081,983	4,006,682
AF 113	Account 367	PLT_367	39,661,786	38,801,103
AF 114	Account 368	PLT_368	35,013,434	33,679,565
AF 115	Account 369	PLT_369	29,259,736	28,556,304
AF 116	Account 370	PLT_370	6,989,275	6,690,268
AF 117	Account 371	PLT_371	2,177,398	2,091,882
AF 118	Account 373	PLT_373	1,726,403	1,650,961
AF 119	Distribution Overhead Plant in Service	OHDIST	109,584,399	103,946,082
AF 120	Distribution Underground Plant in Service	UGDIST	43,743,768	42,807,785
AF 121	Account 371&373	PLT_3713	3,903,800	3,742,843
AF 122				
AF 123	South Dakota	DPLTSD	280,308,957	280,308,957
AF 124	Wyoming	DPLTWY	19,305,136	0
AF 125	Montana	DPLTMT	1,352,575	0
AF 126				
AF 127				
AF 128				
AF 129				
AF 130				
AF 131				
AF 132				
AF 133				
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	66,695,422	61,139,482
AF 135	Supervised O&M Expense excluding CUS	OMXFPTT	35,480,890	32,496,868
AF 136				
AF 137				
AF 138				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 139	ALLOCATION FACTOR TABLE CONTINUED			
AF 140	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AF 141	Production Expense			
AF 142	Account 500	OX_500	1,754,177	1,575,786
AF 143	Account 501	OX_501	0	0
AF 144	Account 502	OX_502	2,113,186	1,898,285
AF 145	Account 505	OX_505	1,166,615	1,047,976
AF 146	Account 506	OX_506	784,580	704,792
AF 147	Account 510	MX_510	1,487,084	1,335,855
AF 148	Account 511	MX_511	758,656	681,505
AF 149	Account 512	MX_512	3,430,455	3,081,595
AF 150	Account 513	MX_513	605,885	544,270
AF 151	Account 514	MX_514	131,497	118,124
AF 152	Account 546	OX_546	345,436	310,307
AF 153	Account 547	OX_547	0	0
AF 154	Account 548	OX_548	678,743	609,718
AF 155	Account 549	OX_549	1,149,191	1,032,324
AF 156	Account 551	MX_551	205,449	184,556
AF 157	Account 552	MX_552	96,721	86,885
AF 158	Account 553	MX_553	2,120,441	1,904,803
AF 159	Account 554	MX_554	574,515	516,089
AF 160	Account 556	OX_556	1,262,938	1,134,504
AF 161	Account 555	OX_555	7,192,960	6,461,473
AF 162	Account 557	OX_557	0	0
AF 163	O&M Expense Production Operation	OX_PROD	9,178,631	8,245,211
AF 164	O&M Expense Production Maintenance	MX_PROD	8,981,108	8,067,775
AF 165	Salaries and Wages Production Operation	SALWAGPO	2,853,535	2,563,345
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	2,214,751	1,989,522
AF 167	Transmission Expense			
AF 168	Account 560	OX_560	206,625	187,969
AF 169	Account 561	OX_561	0	0
AF 170	Account 562	OX_562	0	0
AF 171	Account 563	OX_563	18,920	17,212
AF 172	Account 565	OX_565	0	0
AF 173	Account 566	OX_566	30,948	28,154
AF 174	Account 567	OX_567	0	0
AF 175	Account 568	MX_568	55	50
AF 176	Account 569	MX_569	0	0
AF 177	Account 570	MX_570	35,674	32,453
AF 178	Account 571	MX_571	18,125	16,488
AF 179	Account 573	MX_573	1,108	1,008
AF 180	O&M Accounts 561-567	OX_TRAN	49,869	45,366
AF 181	O&M Accounts 569-573	MX_TRAN	54,906	49,949
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	195,861	178,177
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	47,990	43,657
AF 184				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 185	ALLOCATION FACTOR TABLE CONTINUED			
AF 186	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AF 187	Distribution Expense			
AF 188	Account 580	OX_580	1,735,413	1,620,799
AF 189	Account 581	OX_581	641,549	599,687
AF 190	Account 582	OX_582	449,127	375,020
AF 191	Account 583	OX_583	486,016	461,010
AF 192	Account 584	OX_584	305,099	298,571
AF 193	Account 585	OX_585	1	1
AF 194	Account 586	OX_586	786,540	756,867
AF 195	Account 587	OX_587	22,761	21,902
AF 196	Account 588	OX_588	366,951	343,006
AF 197	Account 589	OX_589	17,727	16,570
AF 198	Account 590	MX_590	1,250	1,179
AF 199	Account 592	MX_592	287,790	240,304
AF 200	Account 593	MX_593	3,708,522	3,517,711
AF 201	Account 594	MX_594	234,388	229,373
AF 202	Account 595	MX_595	47,646	45,831
AF 203	Account 596	MX_596	56,846	54,502
AF 204	Account 597	MX_597	69,156	66,547
AF 205	Account 598	MX_598	94,932	88,738
AF 206	O&M Accounts 581-589	OX_DIST	3,075,771	2,872,633
AF 207	O&M Accounts 591-598	MX_DIST	4,499,279	4,243,005
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,438,842	1,343,815
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	779,113	734,736
AF 210				
AF 211	Account 902	OX_902	19,927	19,153
AF 212	Account 903	OX_903	1,208,197	1,161,267
AF 213	Account 904	OX_904	419,942	406,612
AF 214	O&M Accounts 902-905	OX_CA	2,251,837	2,167,350
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	594,100	571,810
AF 216				
AF 217	Account908	OX_908	1,310,988	1,260,065
AF 218	Account909	OX_909	12,439	11,956
AF 219	Account910	OX_910	61,173	58,797
AF 220	O&M Accounts 908-910	OX_CS	1,384,601	1,330,818
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	510,055	490,243
AF 222				
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	8,634,247	7,915,304
AF 224	Total Salaries and Wages Expense	SALWAGES	12,051,965	11,048,440
AF 225				
AF 226				
AF 227				
AF 228				
AF 229				
AF 230				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 231	REVENUES AND BILLING DETERMINANTS			
AF 232				
AF 233	Base Rate Sales Revenue	SALESREV	134,872,015	124,169,353
AF 234	South Dakota	SREVSD	124,169,353	124,169,353
AF 235	Wyoming	SREVWY	8,288,835	0
AF 236	Montana	SREVMT	2,413,827	0
AF 237				
AF 238				
AF 239				
AF 240	Claimed Rate Sales Revenue	CLAIMREV	151,846,149	138,803,591
AF 241				
AF 242				
AF 243				
AF 244				
AF 245				
AF 246	<u>PRESENT REVENUES FROM SALES INPUT</u>			
AF 247				
AF 248	Total Sales of Electricity Revenues		134,872,015	124,169,353
AF 249				
AF 250	Sales of Electricity Revenues		134,872,015	124,169,353
AF 251				
AF 252				
AF 253				
AF 254	<u>BILLING DETERMINATE INPUTS</u>			
AF 255	Number of Customer Bills	SCH AF, LN 87	835,968	803,496
AF 256	Annual kWh Sales @ Meter	SCH AF, LN 52	1,696,490	1,483,798
AF 257	Annual kW - Billed		0	-
AF 258				
AF 259				
AF 260				
AF 261	<u>RATE OF RETURN</u>			
AF 262	Rate of Return (Equalized)	SCH AF, LN 262	8.48%	8.48%
AF 263				
AF 264				
AF 265				
AF 266	<u>PROPOSED REVENUES FROM SALES INPUT</u>			
AF 267	Annual kWh Sales - Proposed	SCH AF, LN 256	1,696,490	1,483,798
AF 268	Sales of Electricity Revenues - Proposed Total		152,035,636	138,803,636
AF 269	Sales of Electricity Revenues - Proposed		152,035,636	138,803,636
AF 270	Credit		0	0
AF 271	Credit	DPROD	0	0
AF 272				
AF 273				
AF 274				
AF 275				
AF 276				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 1	ALLOCATION PROPORTIONS TABLE			
AP 2	<u>DEMAND</u>			
AP 3				
AP 4	<u>DEMAND - PRODUCTION RELATED</u>			
AP 5	Demand Production (12 CP)	DPROD	1.00000	0.89831
AP 6				
AP 7				
AP 8				
AP 9	<u>DEMAND - TRANSMISSION RELATED</u>			
AP 10	Demand Transmission (NCP)	DTRAN	1.00000	0.90971
AP 11				
AP 12				
AP 13				
AP 14				
AP 15				
AP 16				
AP 17				
AP 18				
AP 19				
AP 20	<u>DEMAND - DISTRIBUTION RELATED (NCP)</u>			
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.90971
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.90971
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.90971
AP 24				
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.90971
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.90971
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.90971
AP 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	1.00000	0.90971
AP 29				
AP 30				
AP 31				
AP 32				
AP 33				
AP 34				
AP 35				
AP 36				
AP 37				
AP 38				
AP 39				
AP 40				
AP 41				
AP 42				
AP 43				
AP 44				
AP 45				
AP 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 47	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 48				
AP 49	<u>ENERGY</u>			
AP 50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.87637
AP 51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.87637
AP 52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.87463
AP 53				
AP 51				
AP 55				
AP 56				
AP 57				
AP 58				
AP 59				
AP 60				
AP 61	<u>CUSTOMER</u>			
AP 62				
AP 63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.96116
AP 64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.96116
AP 65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.96116
AP 66				
AP 67			0.00000	0.00000
AP 68			0.00000	0.00000
AP 69			0.00000	0.00000
AP 70			0.00000	0.00000
AP 71				
AP 72	369-Services	CSERVICE	1.00000	0.90971
AP 73	370-Meters	CMETERS	1.00000	0.96227
AP 74				
AP 75	902-Meter Reading	CMETRDG	1.00000	0.96116
AP 76	903-Customer Records and Collections	CUSTREC	1.00000	0.96116
AP 77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.96116
AP 78	908-Customer Assistance	CUSTASST	1.00000	0.96116
AP 79	909-Advertisement	CUSTADVT	1.00000	0.96116
AP 80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.96116
AP 81				
AP 82			0.00000	0.00000
AP 83				
AP 84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.93676
AP 85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.98020
AP 86				
AP 87	Number of Bills	CUSTBILLS	1.00000	0.96116
AP 88	Number of Customers	CUST	1.00000	0.96116
AP 89				
AP 90				
AP 91				
AP 92				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 93	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AP 95				
AP 96	Plant			
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.91164
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.93136
AP 98	Rate Base	RATEBASE	1.00000	0.91149
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.91201
AP 101	Production Plant In Service	PRODPLT	1.00000	0.89831
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.90971
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.93475
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.93444
AP 105	General Plant in Service	GENLPLT	1.00000	0.91807
AP 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1.00000	0.81276
AP 107	Account 360	PLT_360	1.00000	0.95988
AP 108	Account 361	PLT_361	1.00000	0.98863
AP 109	Account 362	PLT_362	1.00000	0.83500
AP 110	Account 364	PLT_364	1.00000	0.94662
AP 111	Account 365	PLT_365	1.00000	0.95168
AP 112	Account 366	PLT_366	1.00000	0.98155
AP 113	Account 367	PLT_367	1.00000	0.97830
AP 114	Account 368	PLT_368	1.00000	0.96190
AP 115	Account 369	PLT_369	1.00000	0.97596
AP 116	Account 370	PLT_370	1.00000	0.95722
AP 117	Account 371	PLT_371	1.00000	0.96073
AP 118	Account 373	PLT_373	1.00000	0.95630
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.94855
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.97860
AP 121	Account 371&373	PLT_3713	1.00000	0.95877
AP 122				
AP 123	South Dakota	DPLTSD	1.00000	1.00000
AP 124	Wyoming	DPLTWY	1.00000	0.00000
AP 125	Montana	DPLTMT	1.00000	0.00000
AP 126				
AP 127				
AP 128				
AP 129				
AP 130				
AP 131				
AP 132				
AP 133				
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.91670
AP 135	Supervised O&M Expense excluding CUS	OMXFPT	1.00000	0.91590
AP 136				
AP 137				
AP 138				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 140	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AP 141	Production Expense			
AP 142	Account 500	OX_500	1.00000	0.89831
AP 143	Account 501	OX_501	0.00000	0.00000
AP 144	Account 502	OX_502	1.00000	0.89831
AP 145	Account 505	OX_505	1.00000	0.89831
AP 146	Account 506	OX_506	1.00000	0.89831
AP 147	Account 510	MX_510	1.00000	0.89831
AP 148	Account 511	MX_511	1.00000	0.89831
AP 149	Account 512	MX_512	1.00000	0.89831
AP 150	Account 513	MX_513	1.00000	0.89831
AP 151	Account 514	MX_514	1.00000	0.89831
AP 152	Account 546	OX_546	1.00000	0.89831
AP 153	Account 547	OX_547	0.00000	0.00000
AP 154	Account 548	OX_548	1.00000	0.89831
AP 155	Account 549	OX_549	1.00000	0.89831
AP 156	Account 551	MX_551	1.00000	0.89831
AP 157	Account 552	MX_552	1.00000	0.89831
AP 158	Account 553	MX_553	1.00000	0.89831
AP 159	Account 554	MX_554	1.00000	0.89831
AP 160	Account 556	OX_556	1.00000	0.89831
AP 161	Account 555	OX_555	1.00000	0.89831
AP 162	Account 557	OX_557	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.89831
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.89831
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.89831
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.89831
AP 167	Transmission Expense			
AP 168	Account 560	OX_560	1.00000	0.90971
AP 169	Account 561	OX_561	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.90971
AP 172	Account 565	OX_565	0.00000	0.00000
AP 173	Account 566	OX_566	1.00000	0.90971
AP 174	Account 567	OX_567	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.90971
AP 176	Account 569	MX_569	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.90971
AP 178	Account 571	MX_571	1.00000	0.90971
AP 179	Account 573	MX_573	1.00000	0.90971
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.90971
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.90971
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.90971
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.90971
AP 184				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 186	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AP 187	Distribution Expense			
AP 188	Account 580	OX_580	1.00000	0.93396
AP 189	Account 581	OX_581	1.00000	0.93475
AP 190	Account 582	OX_582	1.00000	0.83500
AP 191	Account 583	OX_583	1.00000	0.94855
AP 192	Account 584	OX_584	1.00000	0.97860
AP 193	Account 585	OX_585	1.00000	0.95877
AP 194	Account 586	OX_586	1.00000	0.96227
AP 195	Account 587	OX_587	1.00000	0.96227
AP 196	Account 588	OX_588	1.00000	0.93475
AP 197	Account 589	OX_589	1.00000	0.93475
AP 198	Account 590	MX_590	1.00000	0.94304
AP 199	Account 592	MX_592	1.00000	0.83500
AP 200	Account 593	MX_593	1.00000	0.94855
AP 201	Account 594	MX_594	1.00000	0.97860
AP 202	Account 595	MX_595	1.00000	0.96190
AP 203	Account 596	MX_596	1.00000	0.95877
AP 204	Account 597	MX_597	1.00000	0.96227
AP 205	Account 598	MX_598	1.00000	0.93475
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.93396
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.94304
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.93396
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.94304
AP 210				
AP 211	Account 902	OX_902	1.00000	0.96116
AP 212	Account 903	OX_903	1.00000	0.96116
AP 213	Account 904	OX_904	1.00000	0.96826
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.96248
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.96248
AP 216				
AP 217	Account908	OX_908	1.00000	0.96116
AP 218	Account909	OX_909	1.00000	0.96116
AP 219	Account910	OX_910	1.00000	0.96116
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.96116
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.96116
AP 222				
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.91673
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.91673
AP 225				
AP 226				
AP 227				
AP 228				
AP 229				
AP 230				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 231	REVENUES AND BILLING DETERMINANTS			
AP 232				
AP 233	Base Rate Sales Revenue	SALESREV	1.00000	0.92065
AP 234	South Dakota	SREVSD	1.00000	1.00000
AP 235	Wyoming	SREVWY	1.00000	0.00000
AP 236	Montana	SREVMT	1.00000	0.00000
AP 237				
AP 238				
AP 239				
AP 240	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.91411
AP 241				
AP 242				
AP 243				
AP 244				
AP 245				
AP 246	PRESENT REVENUES FROM SALES INPUT			
AP 247				
AP 248	Total Sales of Electricity Revenues		1.00000	0.92065
AP 249				
AP 250	Sales of Electricity Revenues		1.00000	0.92065
AP 251				
AP 252				
AP 253				
AP 254				
AP 255				
AP 256				
AP 257				
AP 258				
AP 259				
AP 260				
AP 261				
AP 262				
AP 263				
AP 264				
AP 265				
AP 266				
AP 267				
AP 268				
AP 269				
AP 270				
AP 271				
AP 272				
AP 273				
AP 274				
AP 275				
AP 276				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS			
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS			
ADA 3				
ADA 4	Write-Offs - Test Period			
ADA 5	South Dakota	SREVSD	406,612	406,612
ADA 6	Wyoming	SREVVWY	13,330	0
ADA 7	Montana	SREVMT	0	0
ADA 8				
ADA 9				
ADA 10				
ADA 11				
ADA 12				
ADA 13				
ADA 14				
ADA 15	Total Write-Offs	EXP_904	419,942	406,612
ADA 16				
ADA 17	Total Write-Offs	EXP_904	1.00000	0.96826
ADA 18				
ADA 19	Construction Advances			
ADA 20	South Dakota	DPLTSD	99%	99.4%
ADA 21	Wyoming	DPLTWY	1%	0%
ADA 22	Montana	DPLTMT	0%	0%
ADA 23				
ADA 24				
ADA 25				
ADA 26				
ADA 27	Customer Advances for Construction	CUSTADV	100%	99%
ADA 28				
ADA 29	Customer Advances for Construction	CUSTADV	1.00000	0.99400
ADA 30				
ADA 31				
ADA 32				
ADA 33				
ADA 34				
ADA 35				
ADA 36				
ADA 37				
ADA 38				
ADA 39				
ADA 40				
ADA 41				
ADA 42				
ADA 43				
ADA 44				
ADA 45				
ADA 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
RRW 1	REVENUE REQUIREMENTS			
RRW 2				
RRW 3	PRESENT RATES			
RRW 4	-----			
RRW 5	RATE BASE		665,358,973	542,701,964
RRW 6	NET OPER INC (PRESENT RATES)		48,486,982	36,508,872
RRW 7	RATE OF RETURN (PRES RATES)		7.29%	6.73%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.92
RRW 9	SALES REVENUE (PRE RATES)		134,872,015	124,169,353
RRW 10				
RRW 11				
RRW 12				
RRW 13				
RRW 14	CLAIMED RATE OF RETURN			
RRW 15	-----			
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		56,422,441	46,021,127
RRW 18	SALES REVENUE REQ CLAIMED ROR		147,080,413	138,803,591
RRW 19	REVENUE DEFICIENCY SALES REV		12,208,398	14,634,238
RRW 20	PERCENT INCREASE REQUIRED		9.05%	9.27%
RRW 21	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 22				
RRW 23				
RRW 24				
RRW 25	PROPOSED REVENUES			
RRW 26	-----			
RRW 27	PROPOSED SALES REVENUES		152,035,636	138,803,636
RRW 28	REVENUE DEFICIENCY SALES REV		17,163,621	14,634,283
RRW 29	PERCENT INCREASE PROPOSED		12.73%	9.27%
RRW 30	PROPOSED RATE OF RETURN		9.22%	8.48%
RRW 31	RETURN REQ FOR PROPOSED REV		61,377,664	46,021,171
RRW 32	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 33				
RRW 34				
RRW 35				
RRW 36				
RRW 37				
RRW 38				
RRW 39				
RRW 40				
RRW 41				
RRW 42				
RRW 43				
RRW 44				
RRW 45				
RRW 46				

Section O

20:10:13:98. Statement O – Allocated Cost of Service by South Dakota Customer Class. Statement O shall be provided with the initial application under this chapter for a rate increase greater than \$85,000, when a material change in rate structure is proposed, or when the commission so orders. Statement O shall compare the allocated cost of service provided pursuant to § 20:10:13:43 with the revenues under the proposed rates. If the amount of revenue under the proposed new rates differs significantly from allocated cost of service, including allowances for claimed return and income taxes, the filing public utility shall show the amounts available for return and taxes on income and shall show return expressed as a percentage of rate base allocated to the service concerned. If the filing public utility considers certain facilities as being devoted entirely to the service involved, it shall show, in addition to the overall cost of service, the cost of service related to such special facilities. The schedule described in § 20:10:13:100 shall be submitted as a part of statement O.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

Section O

20:10:13:99. Schedule O-1 -- Derivation of Increased Rates. If, after the initial rate filing under this chapter the commission orders it to be provided, schedule O-1 shall show the derivation of each of the increased rates. If the increased rates are predicated on costs as classified and allocated, all calculations involved in derivation of the rates shall be shown. If in computing the increased rates weight is given in whole or in part to value of service, competition, historical revenue pattern, or the like, it shall be indicated.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

Statement O
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M 1	SUMMARY AT PRESENT RATES							
M 2								
M 3	DEVELOPMENT OF RETURN							
M 4								
M 5	OPERATING REVENUE	<u>Stmt O Reference</u>						
M 6	Base Sales of Electricity	SCH I, LN 4	146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
M 7	Contract Revenues	SCH I, LN 5	47,361,753	18,031,389	14,075,760	14,410,449	275,846	568,310
M 8	Other Operating Revenue	SCH I, LN 15	10,484,739	4,772,679	2,720,409	2,670,951	173,007	147,693
M 9	TOTAL OPERATING REVENUE		204,570,622	79,884,057	63,654,710	55,988,105	2,335,368	2,708,381
M 10								
M 11	OPERATING EXPENSES							
M 12	Operation and Maintenance Expense	SCH H, LN 178	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
M 13	Depreciation Expense	SCH J, LN 28	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
M 14	Amortization Expense	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
M 16	State Income Tax	SCH K, LN 10	0	0	0	0	0	0
M 17	Federal Income Tax	SCH K, LN 32	10,179,259	2,444,093	5,484,828	1,940,997	206,176	103,165
M 18	TOTAL OPERATING EXPENSES		170,914,362	68,824,482	49,166,079	48,782,427	1,787,436	2,353,938
M 19								
M 20	OPERATING INCOME (RETURN)		33,656,260	11,059,575	14,488,632	7,205,678	547,932	354,443
M 21								
M 22								
M 23	DEVELOPMENT OF RATE BASE							
M 24	Electric Plant in Service	SCH D-2, LN 116	815,555,892	340,290,794	231,691,970	223,376,690	9,530,592	10,665,845
M 25	Less: Accumulated Depreciation	SCH E, LN 27	293,640,287	121,410,972	83,443,819	81,211,213	3,712,585	3,861,698
M 26	Less: Amortization	SCH E, LN 29	2,835,303	1,079,446	842,643	862,679	16,513	34,022
M 27	Plus: Working Capital	SCH F, LN 9	13,019,866	5,087,115	3,692,110	3,909,993	147,181	183,468
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	112,755,480	46,512,313	32,481,794	30,965,368	1,320,370	1,475,634
M 29								
M 30	TOTAL RATE BASE	SCH F, LN 29	419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
M 31								
M 32								
M 33	RATE OF RETURN (PRESENT)		8.03%	6.27%	12.21%	6.31%	11.84%	6.47%
M 34								
M 35	INDEX RATE OF RETURN (PRESENT)		1.00	0.78	1.52	0.79	1.48	0.81
M 36								
M 37								
M 38								
M 39								
M 40								
M 41								
M 42								
M 43								
M 44								
M 45								
M 46								

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BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M	47	EQUALIZED RETURN AT PROPOSED ROR							
M	48								
M	49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)							
M	50								
M	51	RATE BASE		419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
M	52								
M	53	RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
M	54								
M	55	RETURN (RATE BASE * ROR)		35,560,429	14,956,615	10,058,622	9,688,181	392,480	464,531
M	56								
M	57	LESS:							
M	58	OPERATING EXPENSES	<u>Stmnt O Reference</u>						
M	59	Operation and Maintenance Expense	SCH M, LN 12	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
M	60	Depreciation Expense	SCH M, LN 13	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
M	61	Amortization Expense	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
M	62	Taxes Other Than Income Taxes	SCH M, LN 15	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
M	63	State Income Tax	CALCULATED	0	0	0	0	0	0
M	64	Federal Income Tax	CALCULATED	11,204,581	4,542,499	3,099,438	3,277,729	122,471	162,443
M	65	TOTAL OPERATING EXPENSES		171,939,684	70,922,888	46,780,689	50,119,159	1,703,732	2,413,216
M	66								
M	67	EQUALS TOTAL COST OF SERVICE		207,500,113	85,879,503	56,839,311	59,807,341	2,096,212	2,877,747
M	68								
M	69	LESS:							
M	70	OTHER OPERATING REVENUES		57,846,492	22,804,068	16,796,168	17,081,400	448,853	716,002
M	71								
M	72	EQUALS:							
M	73	PROPOSED SALES OF ELECTRICITY @ EQUALIZED ROR		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
M	74								
M	75								
M	76	TOTAL COST OF SERVICE INCREASE/DECREASE		2,929,492	5,995,446	(6,815,399)	3,819,235	(239,156)	169,366
M	77								
M	78	BASE SALES OF ELECTRICITY		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
M	79	SALES OF ELECTRICITY FOR BASE ENERGY COST: ENERGY2		0	0	0	0	0	0
M	80	TOTAL CURRENT RETAIL REVENUES		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
M	81								
M	82	REVENUE INCREASE TO RETAIL REVENUES (%)		1.96%	9.51%	-17.02%	8.94%	-14.52%	7.83%
M	83								
M	84								
M	85								
M	86								
M	87								
M	88								
M	89								
M	90								
M	91								
M	92								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

Statement O
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M	93	RETURN AT PROPOSED RATES							
M	94								
M	95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS							
M	96								
M	97	OPERATING REVENUE							
M	98	Sales of Electricity	SCH AF, LN 272	149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
M	99	Contract Revenues	SCH I, LN 5	47,361,753	18,031,389	14,075,760	14,410,449	275,846	568,310
M	100	Other Operating Revenue	SCH I, LN 15	10,484,739	4,772,679	2,720,409	2,670,951	173,007	147,693
M	101	TOTAL OPERATING REVENUE		207,500,114	81,023,715	64,590,287	56,764,916	2,373,034	2,748,161
M	102								
M	103	OPERATING EXPENSES							
M	104	Operation and Maintenance Expense	SCH H, LN 178	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
M	105	Depreciation Expense	SCH J, LN 28	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
M	106	Amortization Expense	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
M	107	Taxes Other Than Income Taxes	SCH L, LN 20	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
M	108	State Income Tax	CALCULATED	0	0	0	0	0	0
M	109	Federal Income Tax	CALCULATED	11,204,581	2,842,973	5,812,280	2,212,881	219,359	117,088
M	110	TOTAL OPERATING EXPENSES		171,939,684	69,223,362	49,493,531	49,054,311	1,800,619	2,367,861
M	111								
M	112	OPERATING INCOME (RETURN) AT PROPOSED RATES		35,560,430	11,800,353	15,096,757	7,710,605	572,415	380,300
M	113								
M	114								
M	115	RATE BASE	SCH M, LN 30	419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
M	116								
M	117								
M	118	RATE OF RETURN		8.48%	6.69%	12.73%	6.75%	12.37%	6.94%
M	119								
M	120	INDEX RATE OF RETURN		1.00	0.79	1.50	0.80	1.46	0.82
M	121								
M	122								
M	123	PROPOSED TOTAL REVENUE INCREASE (\$)		2,929,492	1,139,658	935,577	776,811	37,666	39,780
M	124								
M	125	SALES OF ELECTRICITY		149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
M	126	SALES OF ELECTRICITY FOR BASE ENERGY COST: ENERGY2		0	0	0	0	0	0
M	127	TOTAL CURRENT RETAIL REVENUES		149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
M	128								
M	129	PROPOSED TOTAL REVENUE INCREASE (%)		1.96%	1.96%	1.96%	1.96%	1.96%	1.96%
M	130								
M	131								
M	132								
M	133								
M	134								
M	135								
M	136								
M	137								
M	138								

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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 1	DEVELOPMENT OF RATE BASE							
D-2 2								
D-2 3	ELECTRIC PLANT IN SERVICE							
D-2 4								
D-2 5	PRODUCTION PLANT							
D-2 6	Steam Plant							
D-2 7	310-Land & Land Rights	DPROD	299,710	114,104	89,073	91,191	1,746	3,596
D-2 8	311-Structures & Improve	DPROD	36,369,764	13,846,560	10,808,976	11,065,989	211,826	436,413
D-2 9	312-Boiler Plant Equipment	DPROD	214,947,494	81,834,002	63,881,700	65,400,661	1,251,903	2,579,228
D-2 10	313-Engines and Engine Driver Generator	DPROD	307,111	116,922	91,272	93,443	1,789	3,685
D-2 11	314-Turbogenerator Units	DPROD	112,704,235	42,908,333	33,495,334	34,291,777	656,415	1,352,376
D-2 12	315-Accessory Electric Equipment	DPROD	21,971,066	8,364,742	6,529,730	6,684,992	127,964	263,638
D-2 13	316-Misc Power Plant Equipment	DPROD	3,464,042	1,318,817	1,029,502	1,053,981	20,175	41,566
D-2 14	106-Completed Not Classified Production Plant	DPROD	3,259,185	1,240,825	968,619	991,651	18,982	39,108
D-2 15	Steam Plant Additions/Annualization	DPROD	0	0	0	0	0	0
D-2 16	Total Steam Plant		393,322,607	149,744,305	116,894,207	119,673,684	2,290,801	4,719,611
D-2 17								
D-2 18								
D-2 19	Other Production Plant							
D-2 20	340-Land & Land Rights	DPROD	2,430	925	722	739	14	29
D-2 21	341-Structures and Improvements	DPROD	464,267	176,754	137,979	141,260	2,704	5,571
D-2 22	342-Fuel Holders, Producers, & Access	DPROD	4,786,936	1,822,464	1,422,662	1,456,489	27,880	57,440
D-2 23	344-Generators	DPROD	62,107,843	23,645,465	18,458,250	18,897,145	361,730	745,253
D-2 24	345-Accessory Electric Equipment	DPROD	4,372,284	1,664,600	1,299,429	1,330,326	25,465	52,465
D-2 25	346-Misc Power Plant Equipment	DPROD	74,441	28,341	22,124	22,650	434	893
D-2 26	106-Completed Not Classified Oth Prod Plt	DPROD	493,075	187,722	146,540	150,025	2,872	5,917
D-2 27	Other Prod Plant Additions/Annualization	DPROD	0	0	0	0	0	0
D-2 28	Total Other Production Plant		72,148,380	27,526,270	21,487,706	21,848,609	418,227	867,567
D-2 29								
D-2 30	TOTAL PRODUCTION PLANT		465,623,884	177,270,575	138,381,912	141,672,318	2,711,900	5,587,179
D-2 31								
D-2 32								
D-2 33	TRANSMISSION PLANT							
D-2 34	350-Land & Land Rights	DTRAN	189,539	81,728	50,367	52,702	1,776	2,965
D-2 35	352-Structures & Improvements	DTRAN	58,802	25,355	15,626	16,350	551	920
D-2 36	353-Station Equipment	DTRAN	1,613,949	695,923	428,884	448,765	15,126	25,251
D-2 37	354-Tower and Fixtures	DTRAN	28,528	12,301	7,581	7,932	267	446
D-2 38	355-Poles & Fixtures	DTRAN	924,322	398,561	245,625	257,011	8,663	14,462
D-2 39	356-Overhead Conductors & Devices	DTRAN	970,537	418,488	257,906	269,862	9,096	15,185
D-2 40	359-Roads and Trails	DTRAN	6,295	2,714	1,673	1,750	59	98
D-2 41	106-Completed Not Classified Transmission Plt	DTRAN	0	0	0	0	0	0
D-2 42	Transmission Plant Additions/Annualization	DTRAN	0	0	0	0	0	0
D-2 43	TOTAL TRANSMISSION PLANT		3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
D-2 44								
D-2 45								
D-2 46								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 47	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2 48								
D-2 49	DISTRIBUTION PLANT							
D-2 50	360-Land & Land Rights	DDISPSUB	2,022,060	871,897	537,334	562,242	18,951	31,636
D-2 51	361-Structures & Improvements	DDISPSUB	700,802	302,180	186,228	194,861	6,568	10,964
D-2 52	362-Station Equipment	DDISPSUB	58,163,248	25,079,554	15,456,058	16,172,518	545,118	910,001
D-2 53	364-Poles, Towers & Fixtures							
D-2 54	Primary - Demand	DDISTPOL	50,761,939	21,888,165	13,489,265	14,114,555	475,751	794,203
D-2 55	Secondary - Demand	DDISTSOL	13,420,561	6,460,375	3,981,408	2,603,947	140,420	234,412
D-2 56	Total Account 364		64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
D-2 57	365-Overhead Conductors & Devices							
D-2 58	Primary - Demand	DDISTPOL	33,938,217	14,633,903	9,018,600	9,436,653	318,076	530,985
D-2 59	Secondary - Demand	DDISTSOL	5,825,365	2,804,208	1,728,181	1,130,276	60,951	101,749
D-2 60	Total Account 365		39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
D-2 61	366-Underground Conduit							
D-2 62	Primary - Demand	DDISTPUL	2,378,767	1,025,706	632,124	661,425	22,294	37,217
D-2 63	Secondary - Demand	DDISTSUL	1,627,915	783,644	482,945	315,859	17,033	28,434
D-2 64	Total Account 366		4,006,682	1,809,350	1,115,069	977,284	39,327	65,652
D-2 65	367-Underground Conductors & Devices							
D-2 66	Primary - Demand	DDISTPUL	19,866,165	8,566,140	5,279,152	5,523,864	186,190	310,819
D-2 67	Secondary - Demand	DDISTSUL	18,934,938	9,114,879	5,617,329	3,673,883	198,117	330,729
D-2 68	Total Account 367		38,801,103	17,681,020	10,896,481	9,197,748	384,307	641,548
D-2 69	368-Line Transformers							
D-2 70	Demand	DDISTSUT	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2 71	Total Account 368		33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2 72	369-Services							
D-2 73	370-Meters	CMETERS	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
D-2 74	371-Installation on Customer Premises	CUSTPREM	2,091,882	0	0	0	2,091,882	0
D-2 75	373-Street Lighting & Signal Systems	CLIGHT	1,650,961	0	0	0	1,650,961	0
D-2 76	106 - Completed Not Classified Distribution Plant	DISTPLTXNC	3,943,533	1,838,108	1,055,409	905,030	85,820	59,166
D-2 77	Distribution Plant Additions/Annualization	DISTPLTXNC	0	0	0	0	0	0
D-2 78	TOTAL DISTRIBUTION PLANT		284,252,490	132,492,069	76,074,583	65,235,150	6,185,934	4,264,753
D-2 79								
D-2 80								
D-2 81								
D-2 82	TOTAL PROD, TRANS, & DIST PLANT		753,668,347	311,397,715	215,464,158	207,961,841	8,933,373	9,911,260
D-2 83								
D-2 84								
D-2 85								
D-2 86								
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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 93	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2 94								
D-2 95	GENERAL PLANT							
D-2 96	389-Land and Land Rights	SALWAGES	679,671	321,768	176,411	166,438	6,757	8,297
D-2 97	390-Structures and Improvements	SALWAGES	9,383,090	4,442,120	2,435,413	2,297,735	93,278	114,545
D-2 98	391-Office Furniture & Equipment	SALWAGES	6,513,002	3,083,370	1,690,472	1,594,907	64,746	79,508
D-2 99	392-Transportation Equipment	SALWAGES	6,123,398	2,898,924	1,589,349	1,499,500	60,873	74,752
D-2 100	393-Store Equipment	SALWAGES	264,386	125,165	68,622	64,743	2,628	3,228
D-2 101	394-Tools, Shop & Garage Equip.	SALWAGES	3,377,911	1,599,162	876,748	827,184	33,580	41,236
D-2 102	395-Laboratory Equipment	SALWAGES	291,661	138,077	75,702	71,422	2,899	3,560
D-2 103	396-Power Operated Equipment	SALWAGES	664,448	314,561	172,460	162,710	6,605	8,111
D-2 104	397-Communication Equipment	SALWAGES	6,511,084	3,082,462	1,689,974	1,594,437	64,727	79,484
D-2 105	398-Miscellaneous Equipment	SALWAGES	156,970	74,313	40,742	38,439	1,560	1,916
D-2 106	Rate Case Expenses	CLAIMREV	0	0	0	0	0	0
D-2 107	106-Completed Not Classified General Plant	SALWAGES	1,690,576	800,348	438,795	413,989	16,806	20,638
D-2 108	General Plant Additions/Annualization	SALWAGES	0	0	0	0	0	0
D-2 109	TOTAL GENERAL PLANT		35,656,198	16,880,270	9,254,687	8,731,504	354,462	435,275
D-2 110								
D-2 111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	21,856,324	10,347,168	5,672,883	5,352,185	217,276	266,813
D-2 112								
D-2 113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,375,022	1,665,642	1,300,243	1,331,159	25,481	52,497
D-2 114								
D-2 115								
D-2 116	TOTAL ELECTRIC PLANT IN SERVICE		815,555,892	340,290,794	231,691,970	223,376,690	9,530,592	10,665,845
D-2 117								
D-2 118								
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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
E 1	LESS: ACCUMULATED DEPRECIATION							
E 2								
E 3	PRODUCTION PLANT ACCUMULATED DEPRECIATION	PRODPLT	168,821,505	64,273,089	50,173,205	51,366,209	983,255	2,025,746
E 4								
E 5	TRANSMISSION PLANT ACCUMULATED DEPRECIATION	TRANPLT	715,447	308,495	190,120	198,933	6,705	11,194
E 6								
E 7	DISTRIBUTION PLANT ACCUMULATED DEPRECIATION							
E 8	360-Land & Land Rights	PLT_360	(41,188)	(17,760)	(10,945)	(11,453)	(386)	(644)
E 9	361-Structures & Improvements	PLT_361	157,880	68,077	41,954	43,899	1,480	2,470
E 10	362-Station Equipment	PLT_362	20,603,201	8,883,945	5,475,008	5,728,800	193,097	322,350
E 11	364-Poles, Towers & Fixtures	PLT_364	23,220,868	10,256,342	6,320,791	6,048,660	222,927	372,147
E 12	365-Overhead Conductors & Devices	PLT_365	13,358,550	5,858,322	3,610,374	3,549,953	127,334	212,567
E 13	366-Underground Conduit	PLT_366	491,301	221,863	136,730	119,835	4,822	8,050
E 14	367-Underground Conductors & Devices	PLT_367	14,751,188	6,721,872	4,142,564	3,496,749	146,104	243,900
E 15	368-Line Transformers	PLT_368	11,816,627	5,688,275	3,505,577	2,292,741	123,638	206,397
E 16	369-Services	PLT_369	9,662,701	6,140,696	2,402,542	1,027,011	0	92,453
E 17	370-Meters	PLT_370	(1,986,010)	(1,413,900)	(450,841)	(109,884)	(4,575)	(6,810)
E 18	371-Installation on Customer Premises	PLT_371	817,575	0	0	0	817,575	0
E 19	373-Street Lighting & Signal Systems	PLT_373	787,775	0	0	0	787,775	0
E 20	Accum Dep Adjustment	DISTPLT	0	0	0	0	0	0
E 21	TOTAL DISTRIBUTION PLANT ACCUMULATED DEPRECIATION		93,640,468	42,407,732	25,173,754	22,186,312	2,419,790	1,452,880
E 22								
E 23	GENERAL PLANT ACCUMULATED DEPRECIATION	GENLPLT	15,918,118	7,535,916	4,131,601	3,898,035	158,244	194,321
E 24								
E 25	OTHER UTILITY ACCUMULATED DEPRECIATION	SALWAGES	14,544,750	6,885,740	3,775,139	3,561,724	144,591	177,556
E 26								
E 27	TOTAL ACCUMULATED DEPRECIATION		293,640,287	121,410,972	83,443,819	81,211,213	3,712,585	3,861,698
E 28								
E 29	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	2,835,303	1,079,446	842,643	862,679	16,513	34,022
E 30								
E 31	NET ELECTRIC PLANT IN SERVICE		519,080,302	217,800,376	147,405,508	141,302,798	5,801,494	6,770,125
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BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE							
F 2								
F 3	PLUS: ADDITIONS TO RATE BASE							
F 4	WORKING CAPITAL							
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,144,346)	(2,145,190)	(1,398,680)	(1,475,427)	(53,139)	(71,911)
F 6	Fuel Inventory	ENEFUEL	5,247,278	1,835,061	1,428,827	1,846,560	50,539	86,291
F 7	Materials and Supplies	TOTPLT	12,417,940	5,181,387	3,527,823	3,401,212	145,116	162,402
F 8	Prepayments	OMXFPP	498,993	215,856	134,140	137,647	4,666	6,685
F 9	TOTAL WORKING CAPITAL		13,019,866	5,087,115	3,692,110	3,909,993	147,181	183,468
F 10								
F 11	LESS: DEDUCTIONS TO RATE BASE							
F 12	Customer Advances for Construction	CUSTADV	1,165,985	285,097	650,142	212,141	8,487	10,119
F 13	Regulatory Assets - S&W Related	SALWAGES	(25,181,213)	(11,921,228)	(6,535,869)	(6,166,385)	(250,329)	(307,401)
F 14	Regulatory Assets - Plant Related	TOTPLT	(10,490,477)	(4,377,153)	(2,980,249)	(2,873,289)	(122,592)	(137,195)
F 15	Regulatory Assets - Decommissioning	PRODPLT	0	0	0	0	0	0
F 16	Regulatory Assets - Storm Atlas	OHDIST	0	0	0	0	0	0
F 17	Regulatory Liabilities - S&W Related	SALWAGES	39,057,621	18,490,563	10,137,537	9,564,446	388,276	476,798
F 18	Regulatory Liabilities - Plant Related	TOTPLT	670,557	279,790	190,499	183,662	7,836	8,770
F 19	Deferred Income Taxes and Credits							
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(7,008,326)	(2,924,225)	(1,991,001)	(1,919,545)	(81,899)	(91,655)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(21,380,641)	(10,121,971)	(5,549,418)	(5,235,700)	(212,547)	(261,006)
F 22	Deferred Income Tax - Customer (Debit)	CUST	(249,746)	(199,732)	(44,822)	(1,922)	(2,464)	(807)
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	132,904,619	55,454,468	37,756,987	36,401,912	1,553,124	1,738,127
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	3,267,102	1,546,703	847,987	800,049	32,479	39,883
F 25	Total Deferred Income Taxes and Credits		107,533,008	43,755,244	31,019,733	30,044,794	1,288,693	1,424,544
F 26	TOTAL DEDUCTIONS TO RATE BASE		112,755,480	46,512,313	32,481,794	30,965,368	1,320,370	1,475,634
F 27								
F 28								
F 29	TOTAL RATE BASE		419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
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F 31								
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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F-3 1	CASH WORKING CAPITAL (LEAD LAG)							
F-3 2								
F-3 3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL							
F-3 4	Purchased Fuel (Coal, Gas, & Oil)	ENEFUEL	45,469	15,901	12,381	16,001	438	748
F-3 5	Coal Transportation	ENEFUEL	0	0	0	0	0	0
F-3 6	Natural Gas - Other Production	ENEFUEL	6,299	2,203	1,715	2,217	61	104
F-3 7	Purchased Power	OX_555	110,134	39,065	30,430	37,914	993	1,732
F-3 8	Transmission	TRANPLT	46,712	20,142	12,413	12,988	438	731
F-3 9	Labor	SALWAGES	30,127	14,262	7,819	7,377	299	368
F-3 10	Employee Benefits	SALWAGES	45	21	12	11	0	1
F-3 11	Service Company Charges	SALWAGES	81,425	38,548	21,134	19,939	809	994
F-3 12	Other O&M	OMXFPP	51,108	22,109	13,739	14,098	478	685
F-3 13	Wyodak Power Plant O&M	PRODPLT	9,006	3,429	2,676	2,740	52	108
F-3 14	TOTAL O&M		380,326	155,680	102,320	113,286	3,569	5,470
F-3 15								
F-3 16	TAXES OTHER THAN INCOME TAXES							
F-3 17	Property Taxes	TOTPLT	12,580	5,249	3,574	3,446	147	165
F-3 18	Unemployment Taxes (FUTA & SUTA)	SALWAGES	253	120	66	62	3	3
F-3 19	Montana Electric Energy	CLAIMREV	0	0	0	0	0	0
F-3 20	Wyoming Franchise Tax	CLAIMREV	0	0	0	0	0	0
F-3 21	South Dakota PUC	CLAIMREV	580	244	155	166	6	8
F-3 22	Wyoming PSC	CLAIMREV	0	0	0	0	0	0
F-3 23	FICA Taxes - Employer's	SALWAGES	7,517	3,559	1,951	1,841	75	92
F-3 24	TOTAL TAXES OTHER THAN INCOME TAXES		20,930	9,172	5,746	5,514	231	268
F-3 25								
F-3 26	Depreciation Expense	TOTPLT	131,271	54,773	37,293	35,955	1,534	1,717
F-3 27	Amortization Expense	PRODPLT	240	91	71	73	1	3
F-3 28	TOTAL DEPRECIATION/AMORTIZATION		131,511	54,864	37,364	36,027	1,535	1,720
F-3 29								
F-3 30	FEDERAL INCOME TAXES	CLAIMREV	36,942	15,570	9,885	10,547	407	534
F-3 31								
F-3 32	INTEREST EXPENSE	TOTPLT	44,249	18,463	12,571	12,119	517	579
F-3 33								
F-3 34	GRAND TOTAL		613,957	253,749	167,886	177,494	6,259	8,569
F-3 35								
F-3 36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)		(4,039,840)	(1,669,668)	(1,104,689)	(1,167,910)	(41,186)	(56,387)
F-3 37								
F-3 38	LESS: TAX COLLECTIONS AVAILABLE		(1,104,506)	(475,521)	(293,991)	(307,516)	(11,953)	(15,524)
F-3 39								
F-3 40	NET CASH WORKING CAPITAL REQUIREMENT		(5,144,346)	(2,145,190)	(1,398,680)	(1,475,427)	(53,139)	(71,911)
F-3 41								
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F-3 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F-3	1							
F-3	2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED						
F-3	3							
F-3	4	<u>LAG/LEAD DAYS</u>						
F-3	5	REVENUE LAG DAYS	33.98					
F-3	6	EXPENSE LEAD DAYS	<u>40.56</u>					
F-3	7	NET DAYS	(6.58)					
F-3	8							
F-3	9	TAX COLLECTIONS AVAILABLE						
F-3	10	FICA Taxes (Employee Contribution)	(65,187)	(30,860)	(16,919)	(15,963)	(648)	(796)
F-3	11	Federal Withholding Tax	(127,307)	(60,270)	(33,043)	(31,175)	(1,266)	(1,554)
F-3	12	South Dakota Sales and Use Tax	(912,012)	(384,391)	(244,029)	(260,378)	(10,039)	(13,174)
F-3	13	Wyoming Sales and Use Tax	0	0	0	0	0	0
F-3	14	TOTAL TAX COLLECTIONS AVAILABLE	(1,104,506)	(475,521)	(293,991)	(307,516)	(11,953)	(15,524)
F-3	15							
F-3	16							
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F-3	45							
F-3	46							

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
1	OPERATING REVENUES							
2								
3	SALES REVENUES							
4	Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
5	Contract Revenues	DPROD	47,361,753	18,031,389	14,075,760	14,410,449	275,846	568,310
6	TOTAL SALES OF ELECTRICITY		194,085,883	75,111,378	60,934,302	53,317,154	2,162,361	2,560,689
7								
8	OTHER OPERATING REVENUES							
9	Unbilled and Cost Adjustment Revenue	CLAIMREV	5,614,073	2,366,198	1,502,170	1,602,812	61,799	81,095
10	Demand Side Management Revenue	SREVDSM	(968,002)	(434,202)	(290,340)	(215,821)	(10,468)	(17,171)
11	450-Forfeited Discounts	OX_904	258,273	241,978	15,224	0	1,071	0
12	451-Miscellaneous Service Revenues	DISTPLT	455,894	212,495	122,011	104,626	9,921	6,840
13	454-Rent from Electric Property	TDPLT	5,124,501	2,386,210	1,371,344	1,179,334	110,684	76,928
14	456-Other Electric Revenues - Transmission	TRANPLT	0	0	0	0	0	0
15	TOTAL OTHER OPERATING REV		10,484,739	4,772,679	2,720,409	2,670,951	173,007	147,693
16								
17	TOTAL OPERATING REVENUES		204,570,622	79,884,057	63,654,710	55,988,105	2,335,368	2,708,381
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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 1								
H 2	OPERATION & MAINTENANCE EXPENSE							
H 3								
H 4								
H 5	PRODUCTION EXPENSE							
H 6								
H 7	Steam Production Operation							
H 8	500-Supervision & Engineering	SALWAGPO	1,625,149	578,538	450,715	556,233	14,400	25,263
H 9	501-Fuel	ENEFUEL	17,843,849	6,240,292	4,858,858	6,279,397	171,861	293,441
H 10	502-Steam Expense	DPROD	2,520,773	959,699	749,166	766,979	14,682	30,248
H 11	505-Electric Expense	DPROD	1,175,517	447,538	349,360	357,667	6,846	14,105
H 12	506-Miscellaneous Steam Power Expense	DPROD	803,766	306,007	238,877	244,557	4,681	9,645
H 13	507-Rent	DPROD	2,161,083	822,759	642,267	657,539	12,587	25,932
H 14	509-Allowances	DPROD	0	0	0	0	0	0
H 15	Total Steam Production Operation		26,130,138	9,354,833	7,289,242	8,862,371	225,057	398,634
H 16								
H 17	Steam Production Maintenance							
H 18	510-Supervision & Engineering	SALWAGPM	1,306,777	497,511	388,370	397,604	7,611	15,680
H 19	511-Maintenance of Structures	DPROD	736,865	280,536	218,994	224,201	4,292	8,842
H 20	512-Maintenance of Boilers	DPROD	3,194,346	1,216,139	949,349	971,923	18,605	38,330
H 21	513-Maintenance of Electric Plant	DPROD	707,840	269,486	210,368	215,370	4,123	8,494
H 22	514-Maintanance of Miscellaneous Steam Plant	DPROD	139,021	52,928	41,317	42,299	810	1,668
H 23	Total Steam Production Maintenance		6,084,849	2,316,601	1,808,397	1,851,397	35,440	73,014
H 24								
H 25	Total Steam Production Expense		32,214,986	11,671,434	9,097,639	10,713,768	260,497	471,648
H 26								
H 27	Other Production Operation							
H 28	546-Operation Supervision and Engineering	SALWAGPO	221,472	78,842	61,423	75,802	1,962	3,443
H 29	547-Fuel	ENEFUEL	2,299,180	804,061	626,064	809,100	22,144	37,810
H 30	548-Generation Expense	DPROD	486,733	185,307	144,656	148,095	2,835	5,840
H 31	549-Miscellaneous Other Power Generation	DPROD	124,211	47,289	36,915	37,793	723	1,490
H 32	550-Rents	DPROD	204,285	77,775	60,713	62,156	1,190	2,451
H 33	Total Other Production Operation		3,335,881	1,193,274	929,770	1,132,947	28,855	51,035
H 34								
H 35	Other Production Maintenance							
H 36	551-Supervision & Engineering	SALWAGPM	178,726	68,044	53,117	54,380	1,041	2,145
H 37	552-Structures	DPROD	6,494	2,472	1,930	1,976	38	78
H 38	553-Maintenance of Generating and Electric Plant	DPROD	959,437	365,273	285,142	291,922	5,588	11,513
H 39	554-Maintenance of Miscellaneous Other Power	DPROD	80,278	30,563	23,858	24,426	468	963
H 40	556-System Control and Load Dispatching	DPROD	1,266,138	482,039	376,292	385,239	7,374	15,193
H 41	557-Other Expenses	DPROD	1,797	684	534	547	10	22
H 42	Total Other Production Maintenance		2,492,869	949,076	740,873	758,489	14,519	29,913
H 43								
H 44	Total Other Production Expense		5,828,750	2,142,350	1,670,642	1,891,436	43,374	80,948
H 45								
H 46								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 47	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 48								
H 49								
H 50	PRODUCTION EXPENSE (CONT.)							
H 51								
H 52	Other Power Supply							
H 53	555 - Purchased Power - Energy	ENERGY1	33,737,640	11,798,615	9,186,717	11,872,553	324,941	554,814
H 54	555 - Purchased Power - Capacity	DPROD	6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
H 55	Total Other Power Supply		40,199,113	14,258,603	11,107,046	13,838,543	362,574	632,348
H 56								
H 57	TOTAL PRODUCTION EXPENSE		78,242,849	28,072,387	21,875,327	26,443,747	666,445	1,184,944
H 58								
H 59								
H 60	TRANSMISSION EXPENSES							
H 61								
H 62	Operation							
H 63	560-Supervision & Engineering	SALWAGTO	70,693	30,482	18,786	19,656	663	1,106
H 64	561-Load Dispatch	TRANPLT	0	0	0	0	0	0
H 65	562-Station Equipment	TRANPLT	0	0	0	0	0	0
H 66	563-Overhead Lines	TRANPLT	17,212	7,422	4,574	4,786	161	269
H 67	565-Transmission of Electricity by Others	TRANPLT	17,049,706	7,351,705	4,530,718	4,740,737	159,793	266,753
H 68	566-Miscellaneous	TRANPLT	28,154	12,140	7,482	7,828	264	440
H 69	567-Rents	TRANPLT	0	0	0	0	0	0
H 70	Total Transmission Operation		17,165,765	7,401,748	4,561,559	4,773,008	160,881	268,569
H 71								
H 72	Maintenance							
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	50	22	13	14	0	1
H 74	569-Maintenance of Structures	TRANPLT	0	0	0	0	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	25,658	11,064	6,818	7,134	240	401
H 76	571-Maintenance of Overhead Lines	TRANPLT	16,488	7,110	4,381	4,585	155	258
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0	0	0	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,008	435	268	280	9	16
H 79	Total Transmission Maintenance		43,204	18,629	11,481	12,013	405	676
H 80								
H 81	TOTAL TRANSMISSION EXPENSE		17,208,970	7,420,378	4,573,040	4,785,021	161,286	269,245
H 82								
H 83								
H 84								
H 85								
H 86								
H 87								
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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 93	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 94								
H 95								
H 96	DISTRIBUTION EXPENSES							
H 97	Operation							
H 98	580-Supervision	SALWAGDO	1,317,256	698,405	338,730	250,731	13,695	15,696
H 99	581-Load Dispatch	DISTPLT	276,452	128,856	73,987	63,445	6,016	4,148
H 100	582-Station Equipment	PLT_362	375,020	161,706	99,656	104,276	3,515	5,867
H 101	583-Overhead Lines	OHDIST	461,010	203,068	125,147	121,013	4,414	7,368
H 102	584-Underground Lines	UGDIST	298,571	135,939	83,777	70,968	2,955	4,932
H 103	585-Street Lighting	PLT_3713	1	0	0	0	1	0
H 104	586-Metering	CMETERS	756,867	538,836	171,815	41,877	1,744	2,595
H 105	587-Customer Installations	CMETERS	21,902	15,593	4,972	1,212	50	75
H 106	588-Miscellaneous	DISTPLT	341,764	159,299	91,466	78,434	7,438	5,128
H 107	589-Rents	DISTPLT	16,510	7,696	4,419	3,789	359	248
H 108	Total Distribution Operation		3,865,353	2,049,396	993,969	735,744	40,187	46,057
H 109								
H 110	Maintenance							
H 111	590-Supervision	SALWAGDM	1,179	519	315	299	27	18
H 112	591-Structures	DISTPLT	0	0	0	0	0	0
H 113	592-Station Equipment	PLT_362	240,304	103,617	63,857	66,817	2,252	3,760
H 114	593-Overhead Lines	OHDIST	3,281,381	1,445,398	890,771	861,349	31,417	52,446
H 115	594-Underground Lines	UGDIST	229,373	104,433	64,360	54,520	2,270	3,789
H 116	595-Transformers	PLT_368	45,831	22,062	13,596	8,892	480	801
H 117	596-Street Lighting	PLT_3713	54,502	0	0	0	54,502	0
H 118	597-Metering	CMETERS	66,547	47,377	15,107	3,682	153	228
H 119	598-Miscellaneous	DISTPLT	88,416	41,211	23,663	20,291	1,924	1,327
H 120	Total Distribution Maintenance		4,007,532	1,764,617	1,071,670	1,015,851	93,025	62,368
H 121								
H 122	TOTAL DISTRIBUTION EXPENSES							
H 123			7,872,884	3,814,014	2,065,640	1,751,594	133,211	108,425
H 124	TOTAL OPER & MAINT EXP (PROD,TRAN,& DIST)							
H 125			103,324,704	39,306,779	28,514,007	32,980,362	960,942	1,562,614
H 126								
H 127								
H 128								
H 129								
H 130								
H 131								
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H 138								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 139	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 140								
H 141								
H 142	CUSTOMER ACCOUNTS EXPENSES							
H 143	901-Supervision	SALWAGCA	52,082	42,849	8,299	334	461	140
H 144	902-Meter Reading	CMETRDG	19,153	15,436	3,464	148	43	62
H 145	903-Customer Records and Collection Expense	CUSTREC	1,527,862	1,221,892	274,206	11,756	15,073	4,935
H 146	904-Uncollectible Accounts	EXP_904	426,884	399,951	25,162	0	1,771	0
H 147	905-Miscellaneous CA	CUSTCAM	580,318	464,103	104,150	4,465	5,725	1,874
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,606,300	2,144,232	415,281	16,704	23,073	7,011
H 149								
H 150								
H 151	CUSTOMER SERVICE EXPENSES							
H 152	907-Supervision	SALWAGCS	196,095	156,825	35,193	1,509	1,935	633
H 153	908-Customer Assistance	CUSTASST	1,123,739	898,699	201,678	8,647	11,086	3,629
H 154	909-Advertisement	CUSTADVT	11,956	9,562	2,146	92	118	39
H 155	910-Miscellaneous CS	CUSTCSM	67,942	54,336	12,194	523	670	219
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,399,732	1,119,422	251,211	10,770	13,809	4,521
H 157								
H 158	SALES EXPENSES TOTAL	SALESREV	27,285	10,615	8,714	7,235	351	371
H 159								
H 160	TOTAL OPER & MAINT EXCL A&G		107,358,021	42,581,047	29,189,212	33,015,072	998,174	1,574,516
H 161								
H 162	ADMINISTRATIVE & GENERAL EXPENSE							
H 163	920-Administrative Salaries	SALWAGES	14,150,445	6,699,069	3,672,796	3,465,166	140,671	172,742
H 164	921-Office Supplies & Expense	SALWAGES	3,093,663	1,464,595	802,971	757,578	30,754	37,766
H 165	922-A&G Expense Transferred	SALWAGES	(40,130)	(18,998)	(10,416)	(9,827)	(399)	(490)
H 166	923-Outside Services	SALWAGES	2,261,137	1,070,462	586,886	553,708	22,478	27,603
H 167	xxx-Rate Case Expenses	CLAIMREV	0	0	0	0	0	0
H 168	924-Property Insurance	TOTPLT	726,291	303,045	206,333	198,928	8,487	9,498
H 169	925-Injuries and Damages	SALWAGES	2,371,470	1,122,696	615,523	580,727	23,575	28,950
H 170	926-Pensions & Benefits	SALWAGES	195,865	92,726	50,837	47,963	1,947	2,391
H 171	928-Regulatory Commission	CLAIMREV	495,274	208,746	132,522	141,400	5,452	7,154
H 172	930.1-General Advertising	SALWAGES	231,083	109,399	59,978	56,588	2,297	2,821
H 173	930.2-Miscellaneous General	SALWAGES	1,135,341	537,490	294,682	278,023	11,287	13,860
H 174	931-Rents	GENLPLT	513,506	243,103	133,282	125,747	5,105	6,269
H 175	932-Maintenance of General Plant	GENLPLT	1,170,790	554,273	303,883	286,704	11,639	14,293
H 176	TOTAL A&G EXPENSE		26,304,736	12,386,604	6,849,276	6,482,704	263,294	322,857
H 177								
H 178	TOTAL OPERATION & MAINTENANCE EXPENSES		133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
H 179								
H 180								
H 181								
H 182								
H 183								
H 184								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
J 1	DEPRECIATION/AMORTIZATION EXPENSE							
J 2								
J 3	PRODUCTION PLANT EXPENSE	PRODPLT	12,025,060	4,578,136	3,573,809	3,658,786	70,037	144,293
J 4								
J 5	TRANSMISSION PLANT EXPENSE	TRANPLT	18,673	8,052	4,962	5,192	175	292
J 6								
J 7	DISTRIBUTION PLANT EXPENSE							
J 8	360-Land & Land Rights	PLT_360	0	0	0	0	0	0
J 9	361-Structures & Improvements	PLT_361	19,355	8,346	5,143	5,382	181	303
J 10	362-Station Equipment	PLT_362	1,490,658	642,761	396,121	414,483	13,971	23,322
J 11	364-Poles, Towers & Fixtures	PLT_364	1,772,592	782,930	482,505	461,732	17,017	28,408
J 12	365-Overhead Conductors & Devices	PLT_365	1,098,191	481,606	296,805	291,837	10,468	17,475
J 13	366-Underground Conduit	PLT_366	110,657	49,971	30,796	26,991	1,086	1,813
J 14	367-Underground Conductors & Devices	PLT_367	1,071,609	488,314	300,939	254,023	10,614	17,718
J 15	368-Line Transformers	PLT_368	930,162	447,760	275,946	180,476	9,732	16,247
J 16	369-Services	PLT_369	788,668	501,203	196,095	83,824	0	7,546
J 17	370-Meters	PLT_370	184,772	131,545	41,945	10,223	426	634
J 18	371-Installation on Customer Premises	PLT_371	57,774	0	0	0	57,774	0
J 19	373-Street Lighting & Signal Systems	PLT_373	45,596	0	0	0	45,596	0
J 20	Dep Adj for SD Distribution Additions	DISTPLT	0	0	0	0	0	0
J 21	Distribution Plant Annualization	DISTPLT	108,913	50,765	29,148	24,995	2,370	1,634
J 22	TOTAL DISTRIBUTION PLANT EXPENSE		7,678,946	3,585,199	2,055,444	1,753,967	169,235	115,100
J 23								
J 24	GENERAL PLANT EXPENSE	GENLPLT	1,301,463	616,136	337,799	318,703	12,938	15,888
J 25								
J 26	OTHER UTILITY DEPRECIATION EXPENSE	SALWAGES	1,824,951	863,964	473,672	446,895	18,142	22,278
J 27								
J 28	TOTAL DEPRECIATION EXPENSE		22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
J 29								
J 30	PLANT ACQUISITION ADJUSTMENT	SALWAGES	88,874	42,074	23,067	21,763	884	1,085
J 31								
J 32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE		22,937,967	9,693,561	6,468,754	6,205,306	271,411	298,936
J 33								
J 34								
J 35								
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BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
L 1	OTHER OPERATING EXPENSES							
L 2								
L 3	TAXES OTHER THAN INCOME TAXES							
L 4	Federal Taxes							
L 5	FICA Tax	SALWAGES	2,594,431	1,228,249	673,393	635,325	25,792	31,672
L 6	Unemployment Tax	SALWAGES	19,149	9,065	4,970	4,689	190	234
L 7								
L 8	State Taxes							
L 9	Unemployment Tax	SALWAGES	73,096	34,605	18,972	17,900	727	892
L 10	Montana Electric Energy Tax	CLAIMREV	0	0	0	0	0	0
L 11	Wyoming Franchise Taxes	CLAIMREV	0	0	0	0	0	0
L 12	South Dakota PUC Tax	CLAIMREV	211,595	89,182	56,617	60,410	2,329	3,056
L 13	Wyoming Sales Tax	CLAIMREV	0	0	0	0	0	0
L 14								
L 15	Local Taxes							
L 16	Property	TOTPLT	4,043,632	1,687,206	1,148,759	1,107,531	47,254	52,883
L 17								
L 18	TOIT - Payroll Loading & Other	SALWAGES	(2,807,524)	(1,329,131)	(728,702)	(687,507)	(27,910)	(34,273)
L 19								
L 20	TOTAL TAXES OTHER THAN INCOME		4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
L 21								
L 22								
L 23								
L 24								
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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K 1	DEVELOPMENT OF INCOME TAXES							
K 2								
K 3	TOTAL OPERATING REVENUES	SCH I, LN 17	204,570,622	79,884,057	63,654,710	55,988,105	2,335,368	2,708,381
K 4								
K 5	LESS:							
K 6	OPERATION & MAINTAINENCE EXPENSE	SCH H, LN 178	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
K 7	DEPRECIATION EXPENSE	SCH J, LN 28	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
K 8	AMORTIZATION EXPENSE	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
K 9	TAXES OTHER THAN INCOME TAXES	SCH L, LN 20	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
K 10	MT STATE INCOME TAXES	CLAIMREV	0	0	0	0	0	0
K 11								
K 12	NET OPERATING INCOME BEFORE TAXES		43,835,519	13,503,668	19,973,460	9,146,675	754,108	457,608
K 13	AFUDC	TOTPLT	3,579,834	1,493,686	1,016,998	980,499	41,834	46,817
K 14	Interest Expense (Rate Base * Wtd Cost of Debt)		(17,582,508)	(7,395,152)	(4,973,387)	(4,790,227)	(194,058)	(229,683)
K 15	Subtotal		29,832,846	7,602,202	16,017,070	5,336,947	601,884	274,742
K 16								
K 17	Tax Adjustments:							
K 18	Permanent - Salaries & Wages	SALWAGES	(845,650)	(400,346)	(219,491)	(207,083)	(8,407)	(10,323)
K 19	Permanent - Plant	TOTPLT	193,260	80,638	54,904	52,933	2,258	2,527
K 20	Temporary - Salaries & Wages	SALWAGES	(2,646,608)	(1,252,951)	(686,936)	(648,102)	(26,310)	(32,309)
K 21	Temporary - Plant	TOTPLT	(23,003,050)	(9,598,026)	(6,534,956)	(6,300,421)	(268,814)	(300,834)
K 22	Temporary - Customer	CUST	(467,564)	(373,930)	(83,914)	(3,598)	(4,613)	(1,510)
K 23	Temporary - Other	CLAIMREV	16,217,154	6,835,144	4,339,259	4,629,979	178,515	234,257
K 24	Subtotal		(10,552,458)	(4,709,470)	(3,131,135)	(2,476,292)	(127,370)	(108,192)
K 25								
K 26	TAXABLE INCOME (NOL)		19,280,387	2,892,732	12,885,935	2,860,656	474,514	166,550
K 27								
K 28	Federal Income Tax @ 35%		6,748,136	1,012,456	4,510,077	1,001,229	166,080	58,293
K 29								
K 30	Other Tax Adjustments	TOTPLT	3,431,123	1,431,637	974,751	939,768	40,096	44,872
K 31								
K 32	TOTAL FEDERAL INCOME TAX		10,179,259	2,444,093	5,484,828	1,940,997	206,176	103,165
K 33								
K 34	TOTAL INCOME TAXES		10,179,259	2,444,093	5,484,828	1,940,997	206,176	103,165
K 35								
K 36								
K 37								
K 38								
K 39								
K 40								
K 41								
K 42								
K 43								
K 44								
K 45								
K 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K	47							
K	48							
K	49							
K	50							
K	51							
K	52	TAX RATES						
K	53	STATE TAX RATE	0.00%					
K	54	FEDERAL TAX RATE - CURRENT	35.00%					
K	55							
K	56							
K	57							
K	58							
K	59	WEIGHTED COST OF DEBT	4.19%					
K	60							
K	61							
K	62							
K	63							
K	64							
K	65							
K	66							
K	67							
K	68							
K	69							
K	70							
K	71							
K	72							
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K	84							
K	85							
K	86							
K	87							
K	88							
K	89							
K	90							
K	91							
K	92							

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H-1 1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR							
H-1 2								
H-1 3	PRODUCTION SALARIES & WAGES EXPENSE							
H-1 4	Operation	OX_PROD	2,990,884	1,064,726	829,485	1,023,677	26,502	46,494
H-1 5	Maintenance	MX_PROD	1,785,168	679,642	530,546	543,161	10,397	21,421
H-1 6	TOTAL PRODUCTION		4,776,051	1,744,368	1,360,031	1,566,838	36,899	67,915
H-1 7								
H-1 8	TRANSMISSION SALARIES & WAGES EXPENSE							
H-1 9	Operation	OX_TRAN	209,290	90,244	55,616	58,194	1,962	3,274
H-1 10	Maintenance	MX_TRAN	49,176	21,204	13,068	13,674	461	769
H-1 11	TOTAL TRANSMISSION		258,466	111,449	68,684	71,868	2,422	4,044
H-1 12								
H-1 13	DISTRIBUTION SALARIES & WAGES EXPENSE							
H-1 14	Operation	OX_DIST	1,540,819	816,937	396,219	293,284	16,019	18,359
H-1 15	Maintenance	MX_DIST	816,260	359,420	218,279	206,910	18,947	12,703
H-1 16	TOTAL DISTRIBUTION		2,357,079	1,176,357	614,499	500,194	34,967	31,063
H-1 17								
H-1 18	CUSTOMER ACCOUNTS SAL & WAGES EXP							
H-1 19		OX_CA	693,907	570,885	110,565	4,447	6,143	1,867
H-1 20	CUSTOMER SERVICE SAL & WAGES EXP							
H-1 21		OX_CS	688,769	550,836	123,614	5,300	6,795	2,225
H-1 22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP							
H-1 23	Operation	SALWAGXAG	343,811	162,766	89,237	84,193	3,418	4,197
H-1 24	Maintenance	SALWAGXAG	11,877	5,623	3,083	2,908	118	145
H-1 25	TOTAL ADMINISTRATIVE & GENERAL		355,688	168,389	92,320	87,101	3,536	4,342
H-1 26								
H-1 27	TOT OPER & MAINTENANCE LABOR		9,129,960	4,322,283	2,369,712	2,235,748	90,762	111,455
H-1 28								
H-1 29								
H-1 30								
H-1 31								
H-1 32								
H-1 33								
H-1 34								
H-1 35								
H-1 36								
H-1 37								
H-1 38								
H-1 39								
H-1 40								
H-1 41								
H-1 42								
H-1 43								
H-1 44								
H-1 45								
H-1 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 1	ALLOCATION FACTOR TABLE							
AF 2	<u>DEMAND</u>							
AF 3								
AF 4	<u>DEMAND - PRODUCTION RELATED</u>							
AF 5	Demand Production (A&E)	DPROD	0.9923	0.3778	0.2949	0.30192	0.0058	0.0119
AF 6								
AF 6								
AF 6								
AF 9	<u>DEMAND - TRANSMISSION RELATED</u>							
AF 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	381.69	165	101	106	4	6
AF 11								
AF 12								
AF 13								
AF 15								
AF 16								
AF 17								
AF 18								
AF 19								
AF 20	<u>DEMAND - DISTRIBUTION RELATED (Calculated Maximum Demand)</u>							
AF 21	Demand Distribution Primary Substation	DDISPSUB	381.69	165	101	106	4	5.97
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	381.69	165	101	106	4	6
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	381.69	165	101	106	4	6
AF 24								
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	341.90	165	101	66	4	6
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	341.90	165	101	66	4	6
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	341.90	165	101	66	4	6
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	341.90	165	101	66	4	6
AF 29								
AF 30								
AF 31								
AF 32								
AF 33								
AF 34								
AF 35								
AF 36								
AF 37								
AF 38								
AF 39								
AF 40								
AF 41								
AF 42								
AF 43								
AF 44								
AF 45								
AF 46								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF	47	ALLOCATION FACTOR TABLE CONTINUED							
AF	48								
AF	49	<u>ENERGY</u>							
AF	50	Energy @ Generation with losses (kWh)	ENEFUEL	1,605,517,725	561,476,324	437,180,456	564,994,885	15,463,378	26,402,681
AF	51	Energy @ Generation with losses(kWh)	ENERGY1	1,605,517,725	561,476,324	437,180,456	564,994,885	15,463,378	26,402,681
AF	52	Energy @ Meter (kWh Sales)	ENERGY2	1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
AF	53								
AF	54		Secondary	8.114%					
AF	55		Primary	5.042%					
AF	56		Subtransmission	3.754%					
AF	57								
AF	58								
AF	59								
AF	60								
AF	61	<u>CUSTOMER</u>							
AF	62								
AF	63	Customer Dist. Primary Substation	CDISPSUB	65,583	52,450	11,770	504	647	212
AF	64	Customer Dist. Primary Overhead Lines	CDISTPOL	64,936	52,450	11,770	504	0	212
AF	65	Customer Dist. Primary Underground Lines	CDISTPUL	64,936	52,450	11,770	504	0	212
AF	66								
AF	67								
AF	68								
AF	69								
AF	70								
AF	71								
AF	72	369-Services	CSERVICE	624	397	155	66	-	6
AF	73	370-Meters	CMETERS	15,336,942	10,918,828	3,481,618	848,577	35,332	52,587
AF	74								
AF	75	902-Meter Reading	CMETRDG	780,982	629,400	141,244	6,044	1,752	2,542
AF	76	903-Customer Records and Collections	CUSTREC	787,006	629,400	141,244	6,056	7,764	2,542
AF	77	905-Miscellaneous Customer Accounts	CUSTCAM	65,584	52,450	11,770	505	647	212
AF	78	908-Customer Assistance	CUSTASST	65,584	52,450	11,770	505	647	212
AF	79	909-Advertisement	CUSTADVT	65,584	52,450	11,770	505	647	212
AF	80	910-Miscellaneous Customer Service	CUSTCSM	65,584	52,450	11,770	505	647	212
AF	81								
AF	82								
AF	83								
AF	84	371-Installation on Customer Premises	CUSTPREM	404	0	0	0	404	0
AF	85	373-Street Lighting & Signal Systems	CLIGHT	4,283,802	0	0	0	4,283,802	0
AF	86								
AF	87	Number of Bills	CUSTBILLS	787,006	629,400	141,244	6,056	7,764	2,542
AF	88	Number of Customers	CUST	65,584	52,450	11,770	505	647	211.81
AF	89								
AF	90								
AF	91								
AF	92								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 93	ALLOCATION FACTOR TABLE CONTINUED							
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF 95								
AF 96	Plant							
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	753,668,347	311,397,715	215,464,158	207,961,841	8,933,373	9,911,260
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	280,308,957	130,653,961	75,019,174	64,330,121	6,100,115	4,205,587
AF 99	Rate Base	RATEBASE	419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
AF 100	Total Electric Plant In Service	TOTPLT	815,555,892	340,290,794	231,691,970	223,376,690	9,530,592	10,665,845
AF 101	Production Plant In Service	PRODPLT	465,623,884	177,270,575	138,381,912	141,672,318	2,711,900	5,587,179
AF 102	Transmission Plant in Service	TRANPLT	3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
AF 103	Distribution Plant in Service	DISTPLT	284,252,490	132,492,069	76,074,583	65,235,150	6,185,934	4,264,753
AF 104	Total Transmission and Distribution Plant	TDPLT	288,044,463	134,127,139	77,082,246	66,289,523	6,221,474	4,324,081
AF 105	General Plant in Service	GENLPLT	35,656,198	16,880,270	9,254,687	8,731,504	354,462	435,275
AF 106								
AF 107	Account 360	PLT_360	2,022,060	871,897	537,334	562,242	18,951	31,636
AF 108	Account 361	PLT_361	700,802	302,180	186,228	194,861	6,568	10,964
AF 109	Account 362	PLT_362	58,163,248	25,079,554	15,456,058	16,172,518	545,118	910,001
AF 110	Account 364	PLT_364	64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
AF 111	Account 365	PLT_365	39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
AF 112	Account 366	PLT_366	4,006,682	1,809,350	1,115,069	977,284	39,327	65,652
AF 113	Account 367	PLT_367	38,801,103	17,681,020	10,896,481	9,197,748	384,307	641,548
AF 114	Account 368	PLT_368	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
AF 115	Account 369	PLT_369	28,556,304	18,147,676	7,100,262	3,035,138	0	273,228
AF 116	Account 370	PLT_370	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
AF 117	Account 371	PLT_371	2,091,882	0	0	0	2,091,882	0
AF 118	Account 373	PLT_373	1,650,961	0	0	0	1,650,961	0
AF 119	Distribution Overhead Plant in Service	OHDIST	103,946,082	45,786,650	28,217,454	27,285,431	995,198	1,661,349
AF 120	Distribution Underground Plant in Service	UGDIST	42,807,785	19,490,370	12,011,549	10,175,032	423,634	707,200
AF 121	Account 371&373	PLT_3713	3,742,843	0	0	0	3,742,843	0
AF 122								
AF 123	Other Customer Class	DPLTOTH	2,368,549	0	0	0	0	2,368,549
AF 124	Residential Regular Sales Revenue	DPLTRESR	44,242,053	44,242,053	0	0	0	0
AF 125	Residential Electric Sales Revenue	DPLTRESE	10,482,511	10,482,511	0	0	0	0
AF 126	Residential Demand Sales Revenue	DPLTRESR	10,552,455	10,552,455	0	0	0	0
AF 127	GS Regular Sales Revenue	DPLTGSR	35,051,509	0	35,051,509	0	0	0
AF 128	GS Total Electric Sales Revenue	DPLTGSE	3,306,463	0	3,306,463	0	0	0
AF 129	GSL Secondary	DPLTGSLS	25,344,622	0	0	25,344,622	0	0
AF 130	GSL Primary	DPLTGSLP	1,331,206	0	0	1,331,206	0	0
AF 131								
AF 132								
AF 133								
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	99,423,467	43,008,914	26,727,049	27,425,872	929,595	1,332,038
AF 135	Supervised O&M Expense excluding CUS	OMXFPPPT	46,999,369	21,270,395	12,592,826	12,084,242	441,235	610,670
AF 136								
AF 137								
AF 138								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 139	ALLOCATION FACTOR TABLE CONTINUED							
AF 140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF 141	Production Expense							
AF 142	Account 500	OX_500	1,625,149	578,538	450,715	556,233	14,400	25,263
AF 143	Account 501	OX_501	17,843,849	6,240,292	4,858,858	6,279,397	171,861	293,441
AF 144	Account 502	OX_502	2,520,773	959,699	749,166	766,979	14,682	30,248
AF 145	Account 505	OX_505	1,175,517	447,538	349,360	357,667	6,846	14,105
AF 146	Account 506	OX_506	803,766	306,007	238,877	244,557	4,681	9,645
AF 147	Account 510	MX_510	1,306,777	497,511	388,370	397,604	7,611	15,680
AF 148	Account 511	MX_511	736,865	280,536	218,994	224,201	4,292	8,842
AF 149	Account 512	MX_512	3,194,346	1,216,139	949,349	971,923	18,605	38,330
AF 150	Account 513	MX_513	707,840	269,486	210,368	215,370	4,123	8,494
AF 151	Account 514	MX_514	139,021	52,928	41,317	42,299	810	1,668
AF 152	Account 546	OX_546	221,472	78,842	61,423	75,802	1,962	3,443
AF 153	Account 547	OX_547	2,299,180	804,061	626,064	809,100	22,144	37,810
AF 154	Account 548	OX_547	486,733	185,307	144,656	148,095	2,835	5,840
AF 155	Account 549	OX_549	124,211	47,289	36,915	37,793	723	1,490
AF 156	Account 551	MX_551	178,726	68,044	53,117	54,380	1,041	2,145
AF 157	Account 552	MX_552	6,494	2,472	1,930	1,976	38	78
AF 158	Account 553	MX_553	959,437	365,273	285,142	291,922	5,588	11,513
AF 159	Account 554	MX_554	80,278	30,563	23,858	24,426	468	963
AF 160	Account 556	OX_556	1,267,934	482,723	376,826	385,786	7,385	15,214
AF 161	Account 555	OX_555	40,199,113	14,258,603	11,107,046	13,838,543	362,574	632,348
AF 162	Account 557	OX_557	0	0	0	0	0	0
AF 163	O&M Expense Production Operation	OX_PROD	25,254,029	8,990,194	7,003,894	8,643,588	223,773	392,580
AF 164	O&M Expense Production Maintenance	MX_PROD	13,175,268	5,016,038	3,915,647	4,008,752	76,736	158,094
AF 165	Salaries and Wages Production Operation	SALWAGPO	2,990,884	1,064,726	829,485	1,023,677	26,502	46,494
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	1,785,168	679,642	530,546	543,161	10,397	21,421
AF 167	Transmission Expense							
AF 168	Account 560	OX_560	70,693	30,482	18,786	19,656	663	1,106
AF 169	Account 561	OX_561	0	0	0	0	0	0
AF 170	Account 562	OX_562	0	0	0	0	0	0
AF 171	Account 563	OX_563	17,212	7,422	4,574	4,786	161	269
AF 172	Account 565	OX_565	17,049,706	7,351,705	4,530,718	4,740,737	159,793	266,753
AF 173	Account 566	OX_566	28,154	12,140	7,482	7,828	264	440
AF 174	Account 567	OX_567	0	0	0	0	0	0
AF 175	Account 568	MX_568	50	22	13	14	0	1
AF 176	Account 569	MX_569	0	0	0	0	0	0
AF 177	Account 570	MX_570	25,658	11,064	6,818	7,134	240	401
AF 178	Account 571	MX_571	16,488	7,110	4,381	4,585	155	258
AF 179	Account 573	MX_573	1,008	435	268	280	9	16
AF 180	O&M Accounts 561-567	OX_TRAN	17,095,072	7,371,266	4,542,773	4,753,351	160,219	267,463
AF 181	O&M Accounts 569-573	MX_TRAN	43,154	18,608	11,468	11,999	404	675
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	209,290	90,244	55,616	58,194	1,962	3,274
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	49,176	21,204	13,068	13,674	461	769
AF 184								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 185	ALLOCATION FACTOR TABLE CONTINUED							
AF 186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF 187	Distribution Expense							
AF 188	Account 580	OX_580	1,317,256	698,405	338,730	250,731	13,695	15,696
AF 189	Account 581	OX_581	276,452	128,856	73,987	63,445	6,016	4,148
AF 190	Account 582	OX_582	375,020	161,706	99,656	104,276	3,515	5,867
AF 191	Account 583	OX_583	461,010	203,068	125,147	121,013	4,414	7,368
AF 192	Account 584	OX_584	298,571	135,939	83,777	70,968	2,955	4,932
AF 193	Account 585	OX_585	1	0	0	0	1	0
AF 194	Account 586	OX_586	756,867	538,836	171,815	41,877	1,744	2,595
AF 195	Account 587	OX_587	21,902	15,593	4,972	1,212	50	75
AF 196	Account 588	OX_588	341,764	159,299	91,466	78,434	7,438	5,128
AF 197	Account 589	OX_589	16,510	7,696	4,419	3,789	359	248
AF 198	Account 590	MX_590	1,179	519	315	299	27	18
AF 199	Account 592	MX_592	240,304	103,617	63,857	66,817	2,252	3,760
AF 200	Account 593	MX_593	3,281,381	1,445,398	890,771	861,349	31,417	52,446
AF 201	Account 594	MX_594	229,373	104,433	64,360	54,520	2,270	3,789
AF 202	Account 595	MX_595	45,831	22,062	13,596	8,892	480	801
AF 203	Account 596	MX_596	54,502	0	0	0	54,502	0
AF 204	Account 597	MX_597	66,547	47,377	15,107	3,682	153	228
AF 205	Account 598	MX_598	88,416	41,211	23,663	20,291	1,924	1,327
AF 206	O&M Accounts 581-589	OX_DIST	2,548,097	1,350,992	655,239	485,013	26,492	30,361
AF 207	O&M Accounts 591-598	MX_DIST	4,006,353	1,764,098	1,071,355	1,015,552	92,997	62,350
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,540,819	816,937	396,219	293,284	16,019	18,359
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	816,260	359,420	218,279	206,910	18,947	12,703
AF 210								
AF 211	Account 902	OX_902	19,153	15,436	3,464	148	43	62
AF 212	Account 903	OX_903	1,527,862	1,221,892	274,206	11,756	15,073	4,935
AF 213	Account 904	OX_904	426,884	399,951	25,162	0	1,771	0
AF 214	O&M Accounts 902-905	OX_CA	2,554,217	2,101,383	406,982	16,370	22,611	6,871
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	693,907	570,885	110,565	4,447	6,143	1,867
AF 216								
AF 217	Account908	OX_908	1,123,739	898,699	201,678	8,647	11,086	3,629
AF 218	Account909	OX_909	11,956	9,562	2,146	92	118	39
AF 219	Account910	OX_910	67,942	54,336	12,194	523	670	219
AF 220	O&M Accounts 908-910	OX_CS	1,203,637	962,597	216,017	9,262	11,874	3,887
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	688,769	550,836	123,614	5,300	6,795	2,225
AF 222								
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	8,774,272	4,153,894	2,277,392	2,148,647	87,226	107,113
AF 224	Total Salaries and Wages Expense	SALWAGES	9,129,960	4,322,283	2,369,712	2,235,748	90,762	111,455
AF 225								
AF 226								
AF 227								
AF 228								
AF 229								
AF 230								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 231	REVENUES AND BILLING DETERMINANTS							
AF 232								
AF 233	Sales of Electricity Revenue	SALESREV	146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF 234	Other Sales Revenue	SREVOTH	1,992,379	0	0	0	0	1,992,379
AF 235	Residential Regular Sales Revenue	SREVRESR	40,888,347	40,888,347	0	0	0	0
AF 236	Residential Total Electric Sales Revenue	SREVRESE	8,676,593	8,676,593	0	0	0	0
AF 237	Residential Total Electric Demand Sales Rev	SREVRESED	7,515,049	7,515,049	0	0	0	0
AF 238	GS Regular Sales Revenue	SREVSUSR	42,460,856	0	42,460,856	0	0	0
AF 239	GS Total Electric Sales Revenue	SREVSUSE	3,906,118	0	3,906,118	0	0	0
AF 240	GS Total Other Sales Revenue	SREVSUSO	491,568	0	491,568	0	0	0
AF 241	GSL Secondary	SREVSUSLS	25,095,926	0	0	25,095,926	0	0
AF 242	GSL Primary	SREVSUSLP	1,852,720	0	0	1,852,720	0	0
AF 243	GSL Other	SREVSUSLO	1,364,475	0	0	1,364,475	0	0
AF 244	Traffic Signals & Flashers	SREVTSF	74,146	0	0	0	74,146	0
AF 245	Private Area Lighting Leased	SREVPAL	568,738	0	0	0	568,738	0
AF 246	Street Lighting Leased	SREVSL	754,539	0	0	0	754,539	0
AF 247	Street Lighting Energy & Maint Cust Owned	SREVSLEM	430,149	0	0	0	430,149	0
AF 248	Street Lighting Non-Metered Services/Rentals	SREVLSR	58,943	0	0	0	58,943	0
AF 249						0		
AF 250	Claimed Rate Sales Revenue	CLAIMREV	149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
AF 251								
AF 252	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AF 253								
AF 254	Total Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF 255	Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF 256	Fuel Revenues		0	0	0	0	0	0
AF 257			0	0	0	0	0	0
AF 258				11,711,396				
AF 259								
AF 260	<u>BILLING DETERMINATE INPUTS</u>							
AF 261	Number of Customer Bills	SCH AF, LN 87	787,006	629,400	141,244	6,056	7,764	2,542
AF 262	Annual kWh Sales @ Meter	SCH AF, LN 52	1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
AF 263	Annual kW - Billed		3,141,583	426,380	1,574,160	1,073,238	0	67,804
AF 264								
AF 265								
AF 266	<u>RATE OF RETURN</u>							
AF 267	Rate of Return (Equalized)	SCH AF, LN 267	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
AF 268								
AF 269								
AF 270	<u>PROPOSED REVENUES FROM SALES INPUT</u>							
AF 271	Annual kWh Sales - Proposed	SCH AF, LN 262	149,653,622	1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746
AF 272	Sales of Electricity Revenues - Proposed Total		149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
AF 273	Sales of Electricity Revenues - Present		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF 274	Rate Increase Sales Revenues		2,929,492	1,139,658	935,577	776,811	37,666	39,780
AF 275	Credit	DPROD	0	0	0	0	0	0
AF 276			2.00%					

BLACK HILLS POWER, INC.
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 1	ALLOCATION PROPORTIONS TABLE							
AP 2	<u>DEMAND</u>							
AP 3								
AP 4	<u>DEMAND - PRODUCTION RELATED</u>							
AP 5	Demand Production (A&E)	DPROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 9	<u>DEMAND - TRANSMISSION RELATED</u>							
AP 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 11								
AP 12								
AP 13								
AP 15								
AP 16								
AP 17								
AP 18								
AP 19								
AP 20	<u>DEMAND - DISTRIBUTION RELATED (Calculated Maxim</u>							
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 24								
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 29								
AP 30								
AP 31								
AP 32								
AP 33								
AP 34								
AP 35								
AP 36								
AP 37								
AP 38								
AP 39								
AP 40								
AP 41								
AP 42								
AP 43								
AP 44								
AP 45								
AP 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 47	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 48								
AP 49	ENERGY							
AP 50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP 51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP 52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.34770	0.27073	0.35564	0.00958	0.01635
AP 53								
AP 54								
AP 55								
AP 56								
AP 57								
AP 58								
AP 59								
AP 60								
AP 61	CUSTOMER							
AP 62								
AP 63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.79975	0.17947	0.00768	0.00987	0.00323
AP 64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP 65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP 66								
AP 67								
AP 68								
AP 69								
AP 70								
AP 71								
AP 72	369-Services	CSERVICE	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP 73	370-Meters	CMETERS	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 74								
AP 75	902-Meter Reading	CMETRDG	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP 76	903-Customer Records and Collections	CUSTREC	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 78	908-Customer Assistance	CUSTASST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 79	909-Advertisement	CUSTADVT	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 81								
AP 82			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 83								
AP 84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 86								
AP 87	Number of Bills	CUSTBILLS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 88	Number of Customers	CUST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 89								
AP 90								
AP 91								
AP 92								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 93	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 94	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 95								
AP 96	Plant							
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.41318	0.28589	0.27593	0.01185	0.01315
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 99	Rate Base	RATEBASE	1.00000	0.42060	0.28286	0.27244	0.01104	0.01306
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.41725	0.28409	0.27390	0.01169	0.01308
AP 101	Production Plant In Service	PRODPLT	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.46565	0.26761	0.23014	0.02160	0.01501
AP 105	General Plant in Service	GENLPLT	1.00000	0.47342	0.25955	0.24488	0.00994	0.01221
AP 106								
AP 107	Account 360	PLT_360	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 108	Account 361	PLT_361	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 109	Account 362	PLT_362	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 110	Account 364	PLT_364	1.00000	0.44169	0.27220	0.26048	0.00960	0.01603
AP 111	Account 365	PLT_365	1.00000	0.43854	0.27027	0.26574	0.00953	0.01591
AP 112	Account 366	PLT_366	1.00000	0.45158	0.27830	0.24391	0.00982	0.01639
AP 113	Account 367	PLT_367	1.00000	0.45568	0.28083	0.23705	0.00990	0.01653
AP 114	Account 368	PLT_368	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 115	Account 369	PLT_369	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP 116	Account 370	PLT_370	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 117	Account 371	PLT_371	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 118	Account 373	PLT_373	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 121	Account 371&373	PLT_3713	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 122								
AP 123	Other Customer Class	DPLTOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP 124	Residential Regular Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 125	Residential Electric Sales Revenue	DPLTRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 126	Residential Demand Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 127	GS Regular Sales Revenue	DPLTGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 128	GS Total Electric Sales Revenue	DPLTGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 129	GSL Secondary	DPLTGSL	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 130	GSL Primary	DPLTGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 131								
AP 132								
AP 133								
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.43258	0.26882	0.27585	0.00935	0.01340
AP 135	Supervised O&M Expense excluding CUS	OMXFPPPT						
AP 136								
AP 137								
AP 138								

BLACK HILLS POWER, INC.
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 141	Production Expense							
AP 142	Account 500	OX_500	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 143	Account 501	OX_501	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP 144	Account 502	OX_502	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 145	Account 505	OX_505	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 146	Account 506	OX_506	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 147	Account 510	MX_510	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 148	Account 511	MX_511	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 149	Account 512	MX_512	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 150	Account 513	MX_513	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 151	Account 514	MX_514	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 152	Account 546	OX_546	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 153	Account 547	OX_547	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP 154	Account 548	OX_548	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 155	Account 549	OX_549	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 156	Account 551	MX_551	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 157	Account 552	MX_552	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 158	Account 553	MX_553	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 159	Account 554	MX_554	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 160	Account 556	OX_556	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 161	Account 555	OX_555	1.00000	0.35470	0.27630	0.34425	0.00902	0.01573
AP 162	Account 557	OX_557	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 167	Transmission Expense							
AP 168	Account 560	OX_560	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 169	Account 561	OX_561	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 172	Account 565	OX_565	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 173	Account 566	OX_566	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 174	Account 567	OX_567	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 176	Account 569	MX_569	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 178	Account 571	MX_571	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 179	Account 573	MX_573	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 184								

BLACK HILLS POWER, INC.
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 187	Distribution Expense							
AP 188	Account 580	OX_580	1.00000	0.53020	0.25715	0.19034	0.01040	0.01192
AP 189	Account 581	OX_581	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 190	Account 582	OX_582	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 191	Account 583	OX_583	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 192	Account 584	OX_584	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 193	Account 585	OX_585	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 194	Account 586	OX_586	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 195	Account 587	OX_587	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 196	Account 588	OX_588	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 197	Account 589	OX_589	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 198	Account 590	MX_590	1.00000	0.44033	0.26741	0.25349	0.02321	0.01556
AP 199	Account 592	MX_592	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 200	Account 593	MX_593	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 201	Account 594	MX_594	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 202	Account 595	MX_595	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 203	Account 596	MX_596	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 204	Account 597	MX_597	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 205	Account 598	MX_598	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.53020	0.25715	0.19034	0.01040	0.01192
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.44033	0.26741	0.25349	0.02321	0.01556
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.53020	0.25715	0.19034	0.01040	0.01192
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.44033	0.26741	0.25349	0.02321	0.01556
AP 210								
AP 211	Account 902	OX_902	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP 212	Account 903	OX_903	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 213	Account 904	OX_904	1.00000	0.93691	0.05894	0.00000	0.00415	0.00000
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.82271	0.15934	0.00641	0.00885	0.00269
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.82271	0.15934	0.00641	0.00885	0.00269
AP 216								
AP 217	Account908	OX_908	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 218	Account909	OX_909	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 219	Account910	OX_910	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 222								
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.47342	0.25955	0.24488	0.00994	0.01221
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.47342	0.25955	0.24488	0.00994	0.01221
AP 225								
AP 226								
AP 227								
AP 228								
AP 229								
AP 230								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 231	REVENUES AND BILLING DETERMINANTS							
AP 232								
AP 233	Sales of Electricity Revenue	SALESREV	1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP 234	Other Sales Revenue	SREVOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP 235	Residential Regular Sales Revenue	SREVRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 236	Residential Total Electric Sales Revenue	SREVRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 237	Residential Total Electric Demand Sales Rev	SREVRESED	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 238	GS Regular Sales Revenue	SREVSGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 239	GS Total Electric Sales Revenue	SREVSGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 240	GS Total Other Sales Revenue	SREVSGSO	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 241	GSL Secondary	SREVGSLS	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 242	GSL Primary	SREVGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 243	GSL Other	SREVGSL0	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 244	Traffic Signals & Flashers	SREVTSF	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 245	Private Area Lighting Leased	SREVPAL	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 246	Street Lighting Leased	SREVSL	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 247	Street Lighting Energy & Maint Cust Owned	SREVSLEM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 248	Street Lighting Non-Metered Services/Rentals	SREVLSLR	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 249								
AP 250	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.42148	0.26757	0.28550	0.01101	0.01444
AP 251								
AP 252	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AP 253								
AP 254	Total Sales of Electricity Revenues		1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP 255	Sales of Electricity Revenues		1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP 256	Fuel Revenues		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 257			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 258								
AP 259								
AP 260								
AP 261								
AP 262								
AP 263								
AP 264								
AP 265								
AP 266								
AP 267								
AP 268								
AP 269								
AP 270								
AP 271								
AP 272								
AP 273								
AP 274								
AP 275								
AP 276								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	Write-Offs							
ADA 5	Other Sales Revenue	SREVOTH	0	0	0	0	0	0
ADA 6	Residential Regular Sales Revenue	SREVRESR	406,675	406,675	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	103,654	103,654	0	0	0	0
ADA 8	Residential - Demand	SREVRESED	16,603	16,603	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVGSR	30,912	0	30,912	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVGSE	2,178	0	2,178	0	0	0
ADA 11	GS Other	SREVGSO	61	0	61	0	0	0
ADA 12	GSL Secondary	SREVGSL	0	0	0	0	0	0
ADA 13	GSL Primary	SREVGSLP	0	0	0	0	0	0
ADA 14	Private Area Lighting Leased	SREVPAL	2,059	0	0	0	2,059	0
ADA 15	Street Lighting Leased	SREVSL	0	0	0	0	0	0
ADA 16	Street Lighting Energy & Maint Cust Owned	SREVSLEM	0	0	0	0	0	0
ADA 17	Street Lighting Non-Metered Services/Rentals	SREVLSR	274	0	0	0	274	0
ADA 18	Total Write-Offs	EXP_904	562,416	526,932	33,151	0	2,333	0
ADA 19								
ADA 20	Total Write-Offs	EXP_904	1.00000	0.93691	0.05894	0.000000	0.00415	0.00000
ADA 21								
ADA 22	Customer Advances for Construction							
ADA 23	Other	DPLTOTH	7,712	0	0	0	0	7,712
ADA 24	Residential Regular	DPLTRESR	177,941	177,941	0	0	0	0
ADA 25	Residential Total Electric	DPLTRESE	20,375	20,375	0	0	0	0
ADA 26	Residential Electric Demand	DPLTRES	18,981	18,981	0	0	0	0
ADA 27	GS Regular	DPLTGSR	474,629	0	474,629	0	0	0
ADA 28	GS Total Electric	DPLTGSE	20,901	0	20,901	0	0	0
ADA 29	GSL Secondary	DPLTGSL	161,691	0	0	161,691	0	0
ADA 30	Traffic Signals & Flashers	PLT_3713	6,468	0	0	0	6,468	0
ADA 31								
ADA 32	Customer Advances for Construction	CUSTADV	888,699	217,297	495,530	161,691	6,468	7,712
ADA 33								
ADA 34	Customer Advances for Construction	CUSTADV	1.00000	0.24451	0.55759	0.181942	0.00728	0.00868
ADA 35								
ADA 36								
ADA 37								
ADA 38								
ADA 39								
ADA 40								
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ADA 44								
ADA 45								
ADA 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	DSM							
ADA 5	Other Sales Revenue	SREVOTH	17,170	0	0	0	0	17,170
ADA 6	Residential Regular Sales Revenue	SREVRESR	279,448	279,448	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	76,729	76,729	0	0	0	0
ADA 8	Residential - Demand	SREVRESED	78,004	78,004	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVSGSR	256,806	0	256,806	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVSGSE	28,070	0	28,070	0	0	0
ADA 11	GS Other	SREVSGSO	5,449	0	5,449	0	0	0
ADA 12	GSL Secondary	SREVGSL S	215,811	0	0	215,811	0	0
ADA 13	GSL Primary	SREVGSL P	0	0	0	0	0	0
ADA 14	Traffic Signals & Flashers	SREVT S F	519	0	0	0	519	0
ADA 15	Private Area Lighting Leased	SREVPAL	2,887	0	0	0	2,887	0
ADA 16	Street Lighting Leased	SREVSL	2,641	0	0	0	2,641	0
ADA 17	Street Lighting Energy & Maint Cust Owned	SREVSLEM	4,419	0	0	0	4,419	0
ADA 18	Street Lighting Non-Metered Services/Rentals	SREVLSR	0	0	0	0	0	0
ADA 19	Total DSM	SREVDSM	967,955	434,181	290,326	215,811	10,468	17,170
ADA 20								
ADA 21	Total DSM	SREVDSM	1.00000	0.44856	0.29994	0.222955	0.01081	0.01774
ADA 22								
ADA 23								
ADA 24								
ADA 25								
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ADA 45								
ADA 46								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
RRW 1	REVENUE REQUIREMENTS							
RRW 2								
RRW 3	PRESENT RATES							
RRW 4	-----							
RRW 5	RATE BASE		419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
RRW 6	NET OPER INC (PRESENT RATES)		33,656,260	11,059,575	14,488,632	7,205,678	547,932	354,443
RRW 7	RATE OF RETURN (PRES RATES)		8.03%	6.27%	12.21%	6.31%	11.84%	6.47%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.78	1.52	0.79	1.48	0.81
RRW 9	SALES REVENUE (PRE RATES)		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
RRW 10	REVENUE PRES RATES \$/KWH		\$0.0989	\$0.1106	\$0.1166	\$0.0737	\$0.1328	\$0.0821
RRW 11	REVENUE REQUIRED - \$/MO/CUST		\$2,233.59	\$1,088.27	\$3,981.06	\$0.00	\$2,915.79	\$6,270.82
RRW 12	SALES REV REQUIRED \$/KW		\$46.70	\$133.87	\$29.77	\$36.25	\$0.00	\$29.38
RRW 13								
RRW 14	CLAIMED RATE OF RETURN							
RRW 15	-----							
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		35,560,429	14,956,615	10,058,622	9,688,181	392,480	464,531
RRW 18	SALES REVENUE REQ CLAIMED ROR		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
RRW 19	REVENUE DEFICIENCY SALES REV		2,929,492	5,995,446	(6,815,399)	3,819,235	(239,156)	169,366
RRW 20	PERCENT INCREASE REQUIRED		1.96%	9.51%	-17.02%	8.94%	-14.52%	7.83%
RRW 21	ANNUAL BOOKED KWH SALES		1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
RRW 22	SALES REV REQUIRED \$/KWH		\$0.1009	\$0.1223	\$0.0997	\$0.0810	\$0.1159	\$0.0891
RRW 23	REVENUE DEFICIENCY \$/KWH		\$0.0020	\$0.0116	(\$0.0170)	\$0.0072	(\$0.0168)	\$0.0070
RRW 24								
RRW 25	PROPOSED REVENUES							
RRW 26	-----							
RRW 27	PROPOSED SALES REVENUES		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
RRW 28	REVENUE DEFICIENCY SALES REV		0	0	0	0	0	0
RRW 29	PERCENT INCREASE PROPOSED		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RRW 30	PROPOSED RATE OF RETURN		8.48%	6.69%	12.73%	6.75%	12.37%	6.94%
RRW 31	RETURN REQ FOR PROPOSED REV		35,560,430	11,800,353	15,096,757	7,710,605	572,415	380,300
RRW 32	ANNUAL BOOKED KWH SALES		1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
RRW 33	SALES REV REQUIRED \$/KWH		\$0.0989	\$0.1106	\$0.1166	\$0.0737	\$0.1328	\$0.0821
RRW 34	REVENUE DEFICIENCY \$/KWH		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
RRW 35								
RRW 36								
RRW 37								
RRW 38								
RRW 39								
RRW 40								
RRW 41								
RRW 42								
RRW 43								
RRW 44								
RRW 45								
RRW 46								

Section O

20:10:13:99. Schedule O-1 -- Derivation of Increased Rates. If, after the initial rate filing under this chapter the commission orders it to be provided, schedule O-1 shall show the derivation of each of the increased rates. If the increased rates are predicated on costs as classified and allocated, all calculations involved in derivation of the rates shall be shown. If in computing the increased rates weight is given in whole or in part to value of service, competition, historical revenue pattern, or the like, it shall be indicated.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M 1	SUMMARY AT PRESENT RATES							
M 2								
M 3	DEVELOPMENT OF RETURN							
M 4								
M 5	OPERATING REVENUE	<u>Sched O-1 Reference</u>						
M 6	Base Sales of Electricity	SCH I, LN 4	124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
M 7	Contract Revenues	SCH I, LN 5	19,288,845	7,343,577	5,732,582	5,868,890	112,343	231,453
M 8	Other Operating Revenue	SCH I, LN 15	5,800,779	2,839,818	1,467,155	1,281,870	131,380	80,556
M 9	TOTAL OPERATING REVENUE		149,258,977	59,193,383	49,197,134	36,979,488	1,946,139	1,942,834
M 10								
M 11	OPERATING EXPENSES							
M 12	Operation and Maintenance Expense	SCH H, LN 178	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
M 13	Depreciation Expense	SCH J, LN 28	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
M 14	Amortization Expense	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
M 16	State Income Tax	SCH K, LN 10	0	0	0	0	0	0
M 17	Federal Income Tax	SCH K, LN 32	10,753,377	2,320,402	5,717,079	2,249,778	281,785	184,334
M 18	TOTAL OPERATING EXPENSES		112,750,105	47,678,862	33,962,427	28,454,650	1,257,902	1,396,264
M 19								
M 20	OPERATING INCOME (RETURN)		36,508,872	11,514,521	15,234,707	8,524,838	688,237	546,570
M 21								
M 22								
M 23	DEVELOPMENT OF RATE BASE							
M 24	Electric Plant in Service	SCH D-2, LN 116	901,099,320	375,631,925	256,685,894	246,656,289	10,414,468	11,710,745
M 25	Less: Accumulated Depreciation	SCH E, LN 27	251,710,991	105,368,061	71,276,908	68,292,858	3,442,379	3,330,785
M 26	Less: Amortization	SCH E, LN 29	2,835,303	1,079,446	842,643	862,679	16,513	34,022
M 27	Plus: Working Capital	SCH F, LN 9	13,863,167	5,238,363	3,901,386	4,360,969	156,048	206,401
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	117,714,228	49,171,526	33,801,071	31,771,928	1,440,829	1,528,874
M 29								
M 30	TOTAL RATE BASE	SCH F, LN 29	542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
M 31								
M 32								
M 33	RATE OF RETURN (PRESENT)		6.73%	5.11%	9.85%	5.68%	12.14%	7.78%
M 34								
M 35	INDEX RATE OF RETURN (PRESENT)		1.00	0.76	1.46	0.84	1.80	1.16
M 36								
M 37								
M 38								
M 39								
M 40								
M 41								
M 42								
M 43								
M 44								
M 45								
M 46								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M 47	EQUALIZED RETURN AT PROPOSED ROR							
M 48								
M 49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)							
M 50								
M 51	RATE BASE		542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
M 52								
M 53	RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
M 54								
M 55	RETURN (RATE BASE * ROR)		46,021,127	19,101,306	13,115,733	12,727,614	480,883	595,590
M 56								
M 57	LESS:							
M 58	OPERATING EXPENSES	<u>Sched O-1 Reference</u>						
M 59	Operation and Maintenance Expense	SCH M, LN 12	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
M 60	Depreciation Expense	SCH M, LN 13	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
M 61	Amortization Expense	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
M 62	Taxes Other Than Income Taxes	SCH M, LN 15	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
M 63	State Income Tax	CALCULATED	0	0	0	0	0	0
M 64	Federal Income Tax	CALCULATED	15,875,361	6,405,594	4,576,092	4,512,811	170,133	210,730
M 65	TOTAL OPERATING EXPENSES		117,872,089	51,764,054	32,821,441	30,717,684	1,146,251	1,422,659
M 66								
M 67	EQUALS TOTAL COST OF SERVICE		163,893,215	70,865,361	45,937,173	43,445,298	1,627,134	2,018,249
M 68								
M 69	LESS:							
M 70	OTHER OPERATING REVENUES		25,089,624	10,183,394	7,199,737	7,150,760	243,723	312,009
M 71								
M 72	EQUALS:							
M 73	PROPOSED BASE RATE SALES @ EQUALIZED ROR		138,803,591	60,681,967	38,737,436	36,294,538	1,383,411	1,706,240
M 74								
M 75								
M 76	TOTAL COST OF SERVICE INCREASE/DECREASE		14,634,238	11,671,978	(3,259,960)	6,465,811	(319,005)	75,415
M 77								
M 78	BASE SALES OF ELECTRICITY		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
M 79	SALES OF ELECTRICITY FOR BASE ENERGY COST: ENERGY2		33,682,213	11,594,018	9,158,128	12,053,051	323,929	553,088
M 80	TOTAL CURRENT RETAIL REVENUES		157,851,566	60,604,006	51,155,524	41,881,778	2,026,346	2,183,912
M 81								
M 82	REVENUE INCREASE TO RETAIL REVENUES (%)		9.27%	19.26%	-6.37%	15.44%	-15.74%	3.45%
M 83								
M 84								
M 85								
M 86								
M 87								
M 88								
M 89								
M 90								
M 91								
M 92								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M	93	RETURN AT PROPOSED RATES							
M	94								
M	95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS							
M	96								
M	97	OPERATING REVENUE							
M	98	Sales of Electricity	SCH AF, LN 273	138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191
M	99	Contract Revenues	SCH I, LN 5	19,288,845	7,343,577	5,732,582	5,868,890	112,343	231,453
M	100	Other Operating Revenue	SCH I, LN 15	5,800,779	2,839,818	1,467,155	1,281,870	131,380	80,556
M	101	TOTAL OPERATING REVENUE		163,893,260	65,730,047	52,933,490	41,047,726	2,094,796	2,087,200
M	102								
M	103	OPERATING EXPENSES							
M	104	Operation and Maintenance Expense	SCH H, LN 178	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
M	105	Depreciation Expense	SCH J, LN 28	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
M	106	Amortization Expense	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
M	107	Taxes Other Than Income Taxes	SCH L, LN 20	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
M	108	State Income Tax	CALCULATED	0	0	0	0	0	0
M	109	Federal Income Tax	CALCULATED	15,875,376	4,608,235	7,024,803	3,673,661	333,815	234,862
M	110	TOTAL OPERATING EXPENSES		117,872,104	49,966,695	35,270,152	29,878,534	1,309,932	1,446,792
M	111								
M	112	OPERATING INCOME (RETURN) AT PROPOSED RATES		46,021,156	15,763,353	17,663,339	11,169,193	784,864	640,408
M	113								
M	114								
M	115	RATE BASE	SCH M, LN 30	542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
M	116								
M	117								
M	118	RATE OF RETURN		8.48%	7.00%	11.42%	7.44%	13.84%	9.12%
M	119								
M	120	INDEX RATE OF RETURN		1.00	0.83	1.35	0.88	1.63	1.08
M	121								
M	122								
M	123	PROPOSED TOTAL REVENUE INCREASE (\$)		14,634,283	6,536,664	3,736,357	4,068,239	148,657	144,367
M	124								
M	125	BASE SALES OF ELECTRICITY		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
M	126	SALES OF ELECTRICITY FOR BASE ENERGY COST: ENERGY2		33,682,213	11,594,018	9,158,128	12,053,051	323,929	553,088
M	127	TOTAL CURRENT RETAIL REVENUES		157,851,566	60,604,006	51,155,524	41,881,778	2,026,346	2,183,912
M	128								
M	129	PROPOSED TOTAL REVENUE INCREASE (%)		9.27%	10.79%	7.30%	9.71%	7.34%	6.61%
M	130								
M	131								
M	132								
M	133								
M	134								
M	135								
M	136								
M	137								
M	138								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 1	DEVELOPMENT OF RATE BASE							
D-2 2								
D-2 3	ELECTRIC PLANT IN SERVICE							
D-2 4								
D-2 5	PRODUCTION PLANT							
D-2 6	Steam Plant							
D-2 7	310-Land & Land Rights	DPROD	299,710	114,104	89,073	91,191	1,746	3,596
D-2 8	311-Structures & Improve	DPROD	36,369,764	13,846,560	10,808,976	11,065,989	211,826	436,413
D-2 9	312-Boiler Plant Equipment	DPROD	214,947,494	81,834,002	63,881,700	65,400,661	1,251,903	2,579,228
D-2 10	313-Engines and Engine Driver Generator	DPROD	307,111	116,922	91,272	93,443	1,789	3,685
D-2 11	314-Turbogenerator Units	DPROD	112,704,235	42,908,333	33,495,334	34,291,777	656,415	1,352,376
D-2 12	315-Accessory Electric Equipment	DPROD	21,971,066	8,364,742	6,529,730	6,684,992	127,964	263,638
D-2 13	316-Misc Power Plant Equipment	DPROD	3,464,042	1,318,817	1,029,502	1,053,981	20,175	41,566
D-2 14	106-Completed Not Classified Production Plant	DPROD	3,259,185	1,240,825	968,619	991,651	18,982	39,108
D-2 15	Steam Plant Additions/Annualization	DPROD	(34,518,292)	(13,141,674)	(10,258,725)	(10,502,654)	(201,042)	(414,197)
D-2 16	Total Steam Plant		358,804,315	136,602,631	106,635,482	109,171,030	2,089,758	4,305,414
D-2 17								
D-2 18								
D-2 19	Other Production Plant							
D-2 20	340-Land & Land Rights	DPROD	2,430	925	722	739	14	29
D-2 21	341-Structures and Improvements	DPROD	464,267	176,754	137,979	141,260	2,704	5,571
D-2 22	342-Fuel Holders, Producers, & Access	DPROD	4,786,936	1,822,464	1,422,662	1,456,489	27,880	57,440
D-2 23	344-Generators	DPROD	62,107,843	23,645,465	18,458,250	18,897,145	361,730	745,253
D-2 24	345-Accessory Electric Equipment	DPROD	4,372,284	1,664,600	1,299,429	1,330,326	25,465	52,465
D-2 25	346-Misc Power Plant Equipment	DPROD	74,441	28,341	22,124	22,650	434	893
D-2 26	106-Completed Not Classified Oth Prod Plt	DPROD	493,075	187,722	146,540	150,025	2,872	5,917
D-2 27	Other Prod Plant Additions/Annualization	DPROD	85,308,588	32,478,365	25,353,437	25,956,283	496,857	1,023,647
D-2 28	Total Other Production Plant		131,003,829	60,004,636	46,841,142	21,848,609	418,227	1,891,214
D-2 29								
D-2 30	TOTAL PRODUCTION PLANT		516,414,181	196,607,266	153,476,624	157,125,948	3,007,714	6,196,629
D-2 31								
D-2 32								
D-2 33	TRANSMISSION PLANT							
D-2 34	350-Land & Land Rights	DTRAN	189,539	81,728	50,367	52,702	1,776	2,965
D-2 35	352-Structures & Improvements	DTRAN	58,802	25,355	15,626	16,350	551	920
D-2 36	353-Station Equipment	DTRAN	1,613,949	695,923	428,884	448,765	15,126	25,251
D-2 37	354-Tower and Fixtures	DTRAN	28,528	12,301	7,581	7,932	267	446
D-2 38	355-Poles & Fixtures	DTRAN	924,322	398,561	245,625	257,011	8,663	14,462
D-2 39	356-Overhead Conductors & Devices	DTRAN	970,537	418,488	257,906	269,862	9,096	15,185
D-2 40	359-Roads and Trails	DTRAN	6,295	2,714	1,673	1,750	59	98
D-2 41	106-Completed Not Classified Transmission Plt	DTRAN	0	0	0	0	0	0
D-2 42	Transmission Plant Additions/Annualization	DTRAN	0	0	0	0	0	0
D-2 43	TOTAL TRANSMISSION PLANT		3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
D-2 44								
D-2 45								
D-2 46								

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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 47	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2 48								
D-2 49	DISTRIBUTION PLANT							
D-2 50	360-Land & Land Rights	DDISPSUB	2,022,060	871,897	537,334	562,242	18,951	31,636
D-2 51	361-Structures & Improvements	DDISPSUB	700,802	302,180	186,228	194,861	6,568	10,964
D-2 52	362-Station Equipment	DDISPSUB	58,163,248	25,079,554	15,456,058	16,172,518	545,118	910,001
D-2 53	364-Poles, Towers & Fixtures							
D-2 54	Primary - Demand	DDISTPOL	50,761,939	21,888,165	13,489,265	14,114,555	475,751	794,203
D-2 55	Secondary - Demand	DDISTSOL	13,420,561	6,460,375	3,981,408	2,603,947	140,420	234,412
D-2 56	Total Account 364		64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
D-2 57	365-Overhead Conductors & Devices							
D-2 58	Primary - Demand	DDISTPOL	33,938,217	14,633,903	9,018,600	9,436,653	318,076	530,985
D-2 59	Secondary - Demand	DDISTSOL	5,825,365	2,804,208	1,728,181	1,130,276	60,951	101,749
D-2 60	Total Account 365		39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
D-2 61	366-Underground Conduit							
D-2 62	Primary - Demand	DDISTPOL	2,378,767	1,025,706	632,124	661,425	22,294	37,217
D-2 63	Secondary - Demand	DDISTSUL	1,627,915	783,644	482,945	315,859	17,033	28,434
D-2 64	Total Account 366		4,006,682	1,809,350	1,115,069	977,284	39,327	65,652
D-2 65	367-Underground Conductors & Devices							
D-2 66	Primary - Demand	DDISTPOL	19,866,165	8,566,140	5,279,152	5,523,864	186,190	310,819
D-2 67	Secondary - Demand	DDISTSUL	18,934,938	9,114,879	5,617,329	3,673,883	198,117	330,729
D-2 68	Total Account 367		38,801,103	17,681,020	10,896,481	9,197,748	384,307	641,548
D-2 69	368-Line Transformers							
D-2 70	Demand	DDISTSUT	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2 71	Total Account 368		33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2 72	369-Services							
D-2 73	370-Meters	CSERVICE	28,556,304	18,147,676	7,100,262	3,035,138	0	273,228
D-2 74	371-Installation on Customer Premises	CMETERS	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
D-2 75	373-Street Lighting & Signal Systems	CUSTPREM	2,091,882	0	0	0	2,091,882	0
D-2 76	106 - Completed Not Classified Distribution Plant	CLIGHT	1,650,961	0	0	0	1,650,961	0
D-2 77	Distribution Plant Additions/Annualization	DISTPLTXNC	13,723,662	6,396,695	3,672,868	3,149,542	298,656	205,902
D-2 78	TOTAL DISTRIBUTION PLANT	DISTPLTXNC	16,377,387	7,633,614	4,383,085	3,758,564	356,407	245,716
D-2 79			310,410,006	144,684,270	83,075,127	71,238,227	6,755,177	4,657,205
D-2 80								
D-2 81								
D-2 82	TOTAL PROD, TRANS, & DIST PLANT		830,616,159	342,926,606	237,559,414	229,418,547	9,798,430	10,913,161
D-2 83								
D-2 84								
D-2 85								
D-2 86								
D-2 87								
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D-2 89								
D-2 90								
D-2 91								
D-2 92								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 93	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2 94								
D-2 95	GENERAL PLANT							
D-2 96	389-Land and Land Rights	SALWAGES	682,899	320,894	184,072	164,152	6,092	7,689
D-2 97	390-Structures and Improvements	SALWAGES	9,427,643	4,430,050	2,541,169	2,266,171	84,107	106,146
D-2 98	391-Office Furniture & Equipment	SALWAGES	6,543,927	3,074,992	1,763,879	1,572,997	58,381	73,678
D-2 99	392-Transportation Equipment	SALWAGES	6,152,473	2,891,047	1,658,365	1,478,901	54,888	69,271
D-2 100	393-Store Equipment	SALWAGES	265,641	124,825	71,602	63,853	2,370	2,991
D-2 101	394-Tools, Shop & Garage Equip.	SALWAGES	3,393,950	1,594,817	914,821	815,821	30,279	38,212
D-2 102	395-Laboratory Equipment	SALWAGES	293,046	137,702	78,989	70,441	2,614	3,299
D-2 103	396-Power Operated Equipment	SALWAGES	667,603	313,707	179,949	160,475	5,956	7,517
D-2 104	397-Communication Equipment	SALWAGES	6,542,000	3,074,086	1,763,360	1,572,534	58,363	73,656
D-2 105	398-Miscellaneous Equipment	SALWAGES	157,716	74,111	42,511	37,911	1,407	1,776
D-2 106	Rate Case Expenses	CLAIMREV	750,046	327,904	209,324	196,123	7,475	9,220
D-2 107	106-Completed Not Classified General Plant	SALWAGES	1,698,603	798,174	457,849	408,302	15,154	19,125
D-2 108	General Plant Additions/Annualization	SALWAGES	6,237,040	2,930,785	1,681,160	1,499,229	55,643	70,223
D-2 109	TOTAL GENERAL PLANT		42,812,585	20,093,095	11,547,049	10,306,911	382,729	482,802
D-2 110								
D-2 111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	23,295,553	10,946,582	6,279,188	5,599,671	207,827	262,284
D-2 112								
D-2 113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,375,022	1,665,642	1,300,243	1,331,159	25,481	52,497
D-2 114								
D-2 115								
D-2 116	TOTAL ELECTRIC PLANT IN SERVICE		901,099,320	375,631,925	256,685,894	246,656,289	10,414,468	11,710,745
D-2 117								
D-2 118								
D-2 119								
D-2 120								
D-2 121								
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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
E 1	LESS: ACCUMULATED DEPRECIATION							
E 2								
E 3	PRODUCTION PLANT ACCUMULATED DEPRECIATION	PRODPLT	126,456,703	48,144,121	37,582,523	38,476,149	736,513	1,517,397
E 4								
E 5	TRANSMISSION PLANT ACCUMULATED DEPRECIATION	TRANPLT	748,960	322,946	199,025	208,251	7,019	11,718
E 6								
E 7	DISTRIBUTION PLANT ACCUMULATED DEPRECIATION							
E 8	360-Land & Land Rights	PLT_360	(41,188)	(17,760)	(10,945)	(11,453)	(386)	(644)
E 9	361-Structures & Improvements	PLT_361	157,880	68,077	41,954	43,899	1,480	2,470
E 10	362-Station Equipment	PLT_362	20,603,201	8,883,945	5,475,008	5,728,800	193,097	322,350
E 11	364-Poles, Towers & Fixtures	PLT_364	23,220,868	10,256,342	6,320,791	6,048,660	222,927	372,147
E 12	365-Overhead Conductors & Devices	PLT_365	13,358,550	5,858,322	3,610,374	3,549,953	127,334	212,567
E 13	366-Underground Conduit	PLT_366	491,301	221,863	136,730	119,835	4,822	8,050
E 14	367-Underground Conductors & Devices	PLT_367	14,751,188	6,721,872	4,142,564	3,496,749	146,104	243,900
E 15	368-Line Transformers	PLT_368	11,816,627	5,688,275	3,505,577	2,292,741	123,638	206,397
E 16	369-Services	PLT_369	9,662,701	6,140,696	2,402,542	1,027,011	0	92,453
E 17	370-Meters	PLT_370	(1,986,010)	(1,413,900)	(450,841)	(109,884)	(4,575)	(6,810)
E 18	371-Installation on Customer Premises	PLT_371	817,575	0	0	0	817,575	0
E 19	373-Street Lighting & Signal Systems	PLT_373	787,775	0	0	0	787,775	0
E 20	Accum Dep Adjustment	DISTPLT	265,485	123,745	71,052	60,928	5,778	3,983
E 21	TOTAL DISTRIBUTION PLANT ACCUMULATED DEPRECIATION		93,905,953	42,531,476	25,244,806	22,247,240	2,425,568	1,456,864
E 22								
E 23	GENERAL PLANT ACCUMULATED DEPRECIATION	GENLPLT	15,927,678	7,475,286	4,295,879	3,834,507	142,388	179,618
E 24								
E 25	OTHER UTILITY ACCUMULATED DEPRECIATION	SALWAGES	14,671,698	6,894,232	3,954,675	3,526,711	130,891	165,189
E 26								
E 27	TOTAL ACCUMULATED DEPRECIATION		251,710,991	105,368,061	71,276,908	68,292,858	3,442,379	3,330,785
E 28								
E 29	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	2,835,303	1,079,446	842,643	862,679	16,513	34,022
E 30								
E 31	NET ELECTRIC PLANT IN SERVICE		646,553,026	269,184,418	184,566,342	177,500,752	6,955,576	8,345,938
E 32								
E 33								
E 34								
E 35								
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE							
F 2								
F 3	PLUS: ADDITIONS TO RATE BASE							
F 4	WORKING CAPITAL							
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,360,457)	(2,342,155)	(1,496,755)	(1,403,694)	(52,683)	(65,169)
F 6	Fuel Inventory	ENEFUEL	6,389,875	2,212,370	1,747,553	2,262,600	61,812	105,540
F 7	Materials and Supplies	TOTPLT	12,332,720	5,141,013	3,513,081	3,375,813	142,536	160,277
F 8	Prepayments	OMXFPP	501,028	227,135	137,506	126,250	4,384	5,753
F 9	TOTAL WORKING CAPITAL		13,863,167	5,238,363	3,901,386	4,360,969	156,048	206,401
F 10								
F 11	LESS: DEDUCTIONS TO RATE BASE							
F 12	Customer Advances for Construction	CUSTADV	1,339,142	327,436	746,692	243,646	9,747	11,621
F 13	Regulatory Assets - S&W Related	SALWAGES	(25,300,778)	(11,888,838)	(6,819,685)	(6,081,678)	(225,717)	(284,861)
F 14	Regulatory Assets - Plant Related	TOTPLT	(3,306,466)	(1,378,332)	(941,875)	(905,073)	(38,215)	(42,971)
F 15	Regulatory Assets - Decommissioning	PRODPLT	(12,478,227)	(4,750,664)	(3,708,489)	(3,796,668)	(72,676)	(149,730)
F 16	Regulatory Assets - Storm Atlas	OHDIST	(3,310,806)	(1,458,359)	(898,759)	(869,073)	(31,698)	(52,916)
F 17	Regulatory Liabilities - S&W Related	SALWAGES	39,243,073	18,440,323	10,577,754	9,433,058	350,100	441,838
F 18	Regulatory Liabilities - Plant Related	TOTPLT	671,583	279,956	191,306	183,831	7,762	8,728
F 19	Deferred Income Taxes and Credits							
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(9,494,797)	(3,957,998)	(2,704,675)	(2,598,994)	(109,736)	(123,395)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(21,205,189)	(9,964,320)	(5,715,742)	(5,097,200)	(189,178)	(238,749)
F 22	Deferred Income Tax - Customer (Debit)	CUST	342,714	274,082	61,507	2,637	3,381	1,107
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	147,193,716	61,359,117	41,929,396	40,291,070	1,701,193	1,912,939
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	4,020,264	1,889,122	1,083,640	966,372	35,866	45,264
F 25	Total Deferred Income Taxes and Credits		120,856,708	49,600,004	34,654,127	33,563,885	1,441,526	1,597,166
F 26	TOTAL DEDUCTIONS TO RATE BASE		117,714,228	49,171,526	33,801,071	31,771,928	1,440,829	1,528,874
F 27								
F 28								
F 29	TOTAL RATE BASE		542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
F 30								
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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule O-1
Page 9 of 35

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F-3 1	CASH WORKING CAPITAL (LEAD LAG)							
F-3 2								
F-3 3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL							
F-3 4	Purchased Fuel (Coal, Gas, & Oil)	ENEFUEL	0	0	0	0	0	0
F-3 5	Coal Transportation	ENEFUEL	0	0	0	0	0	0
F-3 6	Natural Gas - Other Production	ENEFUEL	0	0	0	0	0	0
F-3 7	Purchased Power	OX_555	17,703	6,740	5,261	5,386	103	212
F-3 8	Transmission	TRANPLT	0	0	0	0	0	0
F-3 9	Labor	SALWAGES	34,511	16,217	9,302	8,296	308	389
F-3 10	Employee Benefits	SALWAGES	45	21	12	11	0	1
F-3 11	Service Company Charges	SALWAGES	87,596	41,161	23,611	21,056	781	986
F-3 12	Other O&M	OMXFPF	51,471	23,334	14,126	12,970	450	591
F-3 13	Wyodak Power Plant O&M	PRODPLT	9,006	3,429	2,676	2,740	52	108
F-3 14	TOTAL O&M		200,331	90,901	54,989	50,458	1,696	2,287
F-3 15								
F-3 16	TAXES OTHER THAN INCOME TAXES							
F-3 17	Property Taxes	TOTPLT	12,599	5,252	3,589	3,449	146	164
F-3 18	Unemployment Taxes (FUTA & SUTA)	SALWAGES	257	121	69	62	2	3
F-3 19	Montana Electric Energy	CLAIMREV	0	0	0	0	0	0
F-3 20	Wyoming Franchise Tax	CLAIMREV	0	0	0	0	0	0
F-3 21	South Dakota PUC	CLAIMREV	686	300	191	179	7	8
F-3 22	Wyoming PSC	CLAIMREV	0	0	0	0	0	0
F-3 23	FICA Taxes - Employer's	SALWAGES	7,606	3,574	2,050	1,828	68	86
F-3 24	TOTAL TAXES OTHER THAN INCOME TAXES		21,148	9,247	5,900	5,518	223	261
F-3 25								
F-3 26	Depreciation Expense	TOTPLT	122,093	50,896	34,779	33,420	1,411	1,587
F-3 27	Amortization Expense	PRODPLT	10,824	4,121	3,217	3,293	63	130
F-3 28	TOTAL DEPRECIATION/AMORTIZATION		132,917	55,016	37,996	36,714	1,474	1,717
F-3 29								
F-3 30	FEDERAL INCOME TAXES	CLAIMREV	48,652	21,270	13,578	12,722	485	598
F-3 31								
F-3 32	INTEREST EXPENSE	TOTPLT	51,549	21,489	14,684	14,111	596	670
F-3 33								
F-3 34	GRAND TOTAL		454,598	197,923	127,147	119,522	4,473	5,532
F-3 35								
F-3 36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)		(4,255,037)	(1,852,560)	(1,190,098)	(1,118,730)	(41,868)	(51,781)
F-3 37								
F-3 38	LESS: TAX COLLECTIONS AVAILABLE		(1,105,420)	(489,595)	(306,657)	(284,964)	(10,815)	(13,388)
F-3 39								
F-3 40	NET CASH WORKING CAPITAL REQUIREMENT		(5,360,457)	(2,342,155)	(1,496,755)	(1,403,694)	(52,683)	(65,169)
F-3 41								
F-3 42								
F-3 43								
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F-3	1							
F-3	2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED						
F-3	3							
F-3	4	<u>LAG/LEAD DAYS</u>						
F-3	5	REVENUE LAG DAYS	33.98					
F-3	6	EXPENSE LEAD DAYS	43.34					
F-3	7	NET DAYS	(9.36)					
F-3	8							
F-3	9	TAX COLLECTIONS AVAILABLE						
F-3	10	FICA Taxes (Employee Contribution)	(65,496)	(30,777)	(17,654)	(15,744)	(584)	(737)
F-3	11	Federal Withholding Tax	(127,912)	(60,106)	(34,478)	(30,747)	(1,141)	(1,440)
F-3	12	South Dakota Sales and Use Tax	(912,012)	(398,712)	(254,525)	(238,474)	(9,090)	(11,211)
F-3	13	Wyoming Sales and Use Tax	0	0	0	0	0	0
F-3	14	TOTAL TAX COLLECTIONS AVAILABLE	(1,105,420)	(489,595)	(306,657)	(284,964)	(10,815)	(13,388)
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F-3	16							
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
1	OPERATING REVENUES							
2								
3	SALES REVENUES							
4	Sales of Electricity Revenues		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
5	Contract Revenues	DPROD	19,288,845	7,343,577	5,732,582	5,868,890	112,343	231,453
6	TOTAL SALES OF ELECTRICITY		143,458,198	56,353,565	47,729,979	35,697,617	1,814,759	1,862,278
7								
8	OTHER OPERATING REVENUES							
9	Unbilled and Cost Adjustment Revenue	Direct Assignment	0	0	0	0	0	0
10	Demand Side Management Revenue	SREVDMSM	(968,002)	(434,202)	(290,340)	(215,821)	(10,468)	(17,171)
11	450-Forfeited Discounts	OX_904	258,273	241,978	15,224	0	1,071	0
12	451-Miscellaneous Service Revenues	DISTPLT	455,894	212,495	122,011	104,626	9,921	6,840
13	454-Rent from Electric Property	TDPLT	6,054,614	2,819,547	1,620,260	1,393,065	130,856	90,887
14	456-Other Electric Revenues - Transmission	TRANPLT	0	0	0	0	0	0
15	TOTAL OTHER OPERATING REV		5,800,779	2,839,818	1,467,155	1,281,870	131,380	80,556
16								
17	TOTAL OPERATING REVENUES		149,258,977	59,193,383	49,197,134	36,979,488	1,946,139	1,942,834
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 1								
H 2	OPERATION & MAINTENANCE EXPENSE							
H 3								
H 4								
H 5	PRODUCTION EXPENSE							
H 6								
H 7	Steam Production Operation							
H 8	500-Supervision & Engineering	SALWAGPO	1,575,786	599,927	468,319	479,454	9,178	18,908
H 9	501-Fuel	ENEFUEL	0	0	0	0	0	0
H 10	502-Steam Expense	DPROD	1,898,285	722,708	564,164	577,579	11,056	22,778
H 11	505-Electric Expense	DPROD	1,047,976	398,982	311,455	318,861	6,104	12,575
H 12	506-Miscellaneous Steam Power Expense	DPROD	704,792	268,326	209,462	214,442	4,105	8,457
H 13	507-Rent	DPROD	2,747,830	1,046,144	816,646	836,064	16,004	32,972
H 14	509-Allowances	DPROD	0	0	0	0	0	0
H 15	Total Steam Production Operation		7,974,670	3,036,086	2,370,046	2,426,400	46,446	95,691
H 16								
H 17	Steam Production Maintenance							
H 18	510-Supervision & Engineering	SALWAGPM	1,335,855	508,582	397,012	406,452	7,780	16,029
H 19	511-Maintenance of Structures	DPROD	681,505	259,460	202,541	207,357	3,969	8,178
H 20	512-Maintenance of Boilers	DPROD	3,081,595	1,173,213	915,840	937,617	17,948	36,977
H 21	513-Maintenance of Electric Plant	DPROD	544,270	207,212	161,755	165,601	3,170	6,531
H 22	514-Maintanance of Miscellaneous Steam Plant	DPROD	118,124	44,972	35,106	35,941	688	1,417
H 23	Total Steam Production Maintenance		5,761,349	2,193,439	1,712,254	1,752,968	33,555	69,132
H 24								
H 25	Total Steam Production Expense		13,736,019	5,229,526	4,082,301	4,179,368	80,002	164,823
H 26								
H 27	Other Production Operation							
H 28	546-Operation Supervision and Engineering	SALWAGPO	310,307	118,139	92,222	94,415	1,807	3,723
H 29	547-Fuel	ENEFUEL	0	0	0	0	0	0
H 30	548-Generation Expense	DPROD	609,718	232,130	181,206	185,515	3,551	7,316
H 31	549-Miscellaneous Other Power Generation	DPROD	1,032,324	393,023	306,803	314,098	6,012	12,387
H 32	550-Rents	DPROD	204,285	77,775	60,713	62,156	1,190	2,451
H 33	Total Other Production Operation		2,156,634	821,066	640,945	656,185	12,561	25,878
H 34								
H 35	Other Production Maintenance							
H 36	551-Supervision & Engineering	SALWAGPM	184,556	70,263	54,849	56,154	1,075	2,215
H 37	552-Structures	DPROD	86,885	33,078	25,822	26,436	506	1,043
H 38	553-Maintenance of Generating and Electric Plant	DPROD	1,904,803	725,189	566,101	579,562	11,094	22,856
H 39	554-Maintenance of Miscellaneous Other Power	DPROD	516,089	196,484	153,380	157,027	3,006	6,193
H 40	556-System Control and Load Dispatching	DPROD	1,132,707	431,240	336,637	344,641	6,597	13,592
H 41	557-Other Expenses	DPROD	1,797	684	534	547	10	22
H 42	Total Other Production Maintenance		3,826,836	1,456,939	1,137,323	1,164,366	22,288	45,920
H 43								
H 44	Total Other Production Expense		5,983,470	2,278,004	1,778,268	1,820,551	34,849	71,798
H 45								
H 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 47	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 48								
H 49								
H 50	PRODUCTION EXPENSE (CONT.)							
H 51								
H 52	Other Power Supply							
H 53	555 - Purchased Power - Energy	ENERGY1	0	0	0	0	0	0
H 54	555 - Purchased Power - Capacity	DPROD	6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
H 55	Total Other Power Supply		6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
H 56								
H 57	TOTAL PRODUCTION EXPENSE		26,180,962	9,967,518	7,780,897	7,965,909	152,484	314,154
H 58								
H 59								
H 60	TRANSMISSION EXPENSES							
H 61								
H 62	Operation							
H 63	560-Supervision & Engineering	SALWAGTO	187,969	81,051	49,950	52,266	1,762	2,941
H 64	561-Load Dispatch	TRANPLT	0	0	0	0	0	0
H 65	562-Station Equipment	TRANPLT	0	0	0	0	0	0
H 66	563-Overhead Lines	TRANPLT	17,212	7,422	4,574	4,786	161	269
H 67	565-Transmission of Electricity by Others	TRANPLT	0	0	0	0	0	0
H 68	566-Miscellaneous	TRANPLT	28,154	12,140	7,482	7,828	264	440
H 69	567-Rents	TRANPLT	0	0	0	0	0	0
H 70	Total Transmission Operation		233,336	100,613	62,006	64,880	2,187	3,651
H 71								
H 72	Maintenance							
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	50	22	13	14	0	1
H 74	569-Maintenance of Structures	TRANPLT	0	0	0	0	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	32,453	13,994	8,624	9,024	304	508
H 76	571-Maintenance of Overhead Lines	TRANPLT	16,488	7,110	4,381	4,585	155	258
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0	0	0	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,008	435	268	280	9	16
H 79	Total Transmission Maintenance		49,999	21,559	13,287	13,902	469	782
H 80								
H 81	TOTAL TRANSMISSION EXPENSE		283,335	122,172	75,292	78,782	2,655	4,433
H 82								
H 83								
H 84								
H 85								
H 86								
H 87								
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H 89								
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 93	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 94								
H 95								
H 96	DISTRIBUTION EXPENSES							
H 97	Operation							
H 98	580-Supervision	SALWAGDO	1,620,799	847,607	418,705	315,678	18,932	19,878
H 99	581-Load Dispatch	DISTPLT	599,687	279,518	160,494	137,626	13,050	8,997
H 100	582-Station Equipment	PLT_362	375,020	161,706	99,656	104,276	3,515	5,867
H 101	583-Overhead Lines	OHDIST	461,010	203,068	125,147	121,013	4,414	7,368
H 102	584-Underground Lines	UGDIST	298,571	135,939	83,777	70,968	2,955	4,932
H 103	585-Street Lighting	PLT_3713	1	0	0	0	1	0
H 104	586-Metering	CMETERS	756,867	538,836	171,815	41,877	1,744	2,595
H 105	587-Customer Installations	CMETERS	21,902	15,593	4,972	1,212	50	75
H 106	588-Miscellaneous	DISTPLT	343,006	159,877	91,799	78,719	7,465	5,146
H 107	589-Rents	DISTPLT	16,570	7,723	4,435	3,803	361	249
H 108	Total Distribution Operation		4,493,432	2,349,867	1,160,800	875,171	52,486	55,108
H 109								
H 110	Maintenance							
H 111	590-Supervision	SALWAGDM	1,179	519	316	299	26	18
H 112	591-Structures	DISTPLT	0	0	0	0	0	0
H 113	592-Station Equipment	PLT_362	240,304	103,617	63,857	66,817	2,252	3,760
H 114	593-Overhead Lines	OHDIST	3,517,711	1,549,498	954,926	923,385	33,679	56,223
H 115	594-Underground Lines	UGDIST	229,373	104,433	64,360	54,520	2,270	3,789
H 116	595-Transformers	PLT_368	45,831	22,062	13,596	8,892	480	801
H 117	596-Street Lighting	PLT_3713	54,502	0	0	0	54,502	0
H 118	597-Metering	CMETERS	66,547	47,377	15,107	3,682	153	228
H 119	598-Miscellaneous	DISTPLT	88,738	41,361	23,749	20,365	1,931	1,331
H 120	Total Distribution Maintenance		4,244,184	1,868,867	1,135,912	1,077,961	95,294	66,150
H 121								
H 122	TOTAL DISTRIBUTION EXPENSES							
H 123			8,737,617	4,218,735	2,296,712	1,953,132	147,780	121,259
H 124	TOTAL OPER & MAINT EXP (PROD,TRAN,& DIST)							
H 125			35,201,914	14,308,424	10,152,901	9,997,823	302,919	439,846
H 126								
H 127								
H 128								
H 129								
H 130								
H 131								
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H 133								
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H 136								
H 137								
H 138								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 139	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 140								
H 141								
H 142	CUSTOMER ACCOUNTS EXPENSES							
H 143	901-Supervision	SALWAGCA	51,163	42,237	8,026	320	446	134
H 144	902-Meter Reading	CMETRDG	19,153	15,436	3,464	148	43	62
H 145	903-Customer Records and Collection Expense	CUSTREC	1,161,267	928,711	208,413	8,936	11,456	3,751
H 146	904-Uncollectible Accounts	EXP_904	406,612	380,958	23,967	0	1,687	0
H 147	905-Miscellaneous CA	CUSTCAM	580,318	464,103	104,150	4,465	5,725	1,874
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,218,513	1,831,445	348,020	13,869	19,357	5,821
H 149								
H 150								
H 151	CUSTOMER SERVICE EXPENSES							
H 152	907-Supervision	SALWAGCS	196,095	156,825	35,193	1,509	1,935	633
H 153	908-Customer Assistance	CUSTASST	1,260,065	1,007,724	226,144	9,696	12,431	4,070
H 154	909-Advertisement	CUSTADVT	11,956	9,562	2,146	92	118	39
H 155	910-Miscellaneous CS	CUSTCSM	58,797	47,022	10,552	452	580	190
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,526,913	1,221,134	274,036	11,749	15,063	4,931
H 157								
H 158	SALES EXPENSES TOTAL	SALESREV	27,571	10,882	9,325	6,623	378	362
H 159								
H 160	TOTAL OPER & MAINT EXCL A&G		38,974,911	17,371,885	10,784,283	10,030,065	337,718	450,961
H 161								
H 162	ADMINISTRATIVE & GENERAL EXPENSE							
H 163	920-Administrative Salaries	SALWAGES	15,344,499	7,210,381	4,136,025	3,688,436	136,893	172,764
H 164	921-Office Supplies & Expense	SALWAGES	3,222,349	1,514,182	868,566	774,572	28,748	36,280
H 165	922-A&G Expense Transferred	SALWAGES	(40,321)	(18,947)	(10,868)	(9,692)	(360)	(454)
H 166	923-Outside Services	SALWAGES	2,660,128	1,249,994	717,023	639,429	23,732	29,950
H 167	xxx-Rate Case Expenses	CLAIMREV	318,061	139,049	88,765	83,167	3,170	3,910
H 168	924-Property Insurance	TOTPLT	781,005	325,569	222,476	213,783	9,026	10,150
H 169	925-Injuries and Damages	SALWAGES	2,355,333	1,106,771	634,867	566,163	21,013	26,519
H 170	926-Pensions & Benefits	SALWAGES	651,943	306,348	175,728	156,711	5,816	7,340
H 171	928-Regulatory Commission	CLAIMREV	506,479	221,422	141,349	132,435	5,048	6,226
H 172	930.1-General Advertising	SALWAGES	34,671	16,292	9,345	8,334	309	390
H 173	930.2-Miscellaneous General	SALWAGES	1,164,409	547,156	313,860	279,895	10,388	13,110
H 174	931-Rents	GENLPLT	500,385	234,844	134,960	120,465	4,473	5,643
H 175	932-Maintenance of General Plant	GENLPLT	1,154,674	541,919	311,429	277,982	10,322	13,021
H 176	TOTAL A&G EXPENSE		28,653,615	13,394,982	7,743,524	6,931,680	258,579	324,850
H 177								
H 178	TOTAL OPERATION & MAINTENANCE EXPENSES		67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
H 179								
H 180								
H 181								
H 182								
H 183								
H 184								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
J 1	DEPRECIATION/AMORTIZATION EXPENSE							
J 2								
J 3	PRODUCTION PLANT EXPENSE	PRODPLT	14,642,098	5,574,484	4,351,584	4,455,055	85,279	175,695
J 4								
J 5	TRANSMISSION PLANT EXPENSE	TRANPLT	85,699	36,953	22,773	23,829	803	1,341
J 6								
J 7	DISTRIBUTION PLANT EXPENSE							
J 8	360-Land & Land Rights	PLT_360	0	0	0	0	0	0
J 9	361-Structures & Improvements	PLT_361	18,922	8,159	5,028	5,261	177	296
J 10	362-Station Equipment	PLT_362	1,453,684	626,818	386,296	404,203	13,624	22,744
J 11	364-Poles, Towers & Fixtures	PLT_364	1,732,927	765,411	471,708	451,400	16,637	27,773
J 12	365-Overhead Conductors & Devices	PLT_365	1,073,617	470,829	290,163	285,307	10,234	17,084
J 13	366-Underground Conduit	PLT_366	108,180	48,852	30,107	26,387	1,062	1,773
J 14	367-Underground Conductors & Devices	PLT_367	1,047,630	477,388	294,205	248,339	10,376	17,322
J 15	368-Line Transformers	PLT_368	909,348	437,741	269,772	176,438	9,515	15,883
J 16	369-Services	PLT_369	771,020	489,987	191,707	81,949	0	7,377
J 17	370-Meters	PLT_370	180,637	128,601	41,006	9,994	416	619
J 18	371-Installation on Customer Premises	PLT_371	56,481	0	0	0	56,481	0
J 19	373-Street Lighting & Signal Systems	PLT_373	44,576	0	0	0	44,576	0
J 20	Dep Adj for SD Distribution Additions	DISTPLT	442,189	206,107	118,343	101,481	9,623	6,634
J 21	Distribution Plant Annualization	DISTPLT	371,886	173,338	99,528	85,347	8,093	5,580
J 22	TOTAL DISTRIBUTION PLANT EXPENSE		8,211,097	3,833,231	2,197,863	1,876,105	180,813	123,084
J 23								
J 24	GENERAL PLANT EXPENSE	GENLPLT	1,249,250	586,306	336,937	300,751	11,168	14,088
J 25								
J 26	OTHER UTILITY DEPRECIATION EXPENSE	SALWAGES	1,949,390	916,018	525,447	468,585	17,391	21,948
J 27								
J 28	TOTAL DEPRECIATION EXPENSE		26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
J 29								
J 30	PLANT ACQUISITION ADJUSTMENT	SALWAGES	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
J 31								
J 32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE		30,169,164	12,841,457	8,521,309	8,093,428	331,422	381,549
J 33								
J 34								
J 35								
J 36								
J 37								
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
L 1	OTHER OPERATING EXPENSES							
L 2								
L 3	TAXES OTHER THAN INCOME TAXES							
L 4	Federal Taxes							
L 5	FICA Tax	SALWAGES	2,626,261	1,234,080	707,894	631,288	23,430	29,569
L 6	Unemployment Tax	SALWAGES	19,686	9,250	5,306	4,732	176	222
L 7								
L 8	State Taxes							
L 9	Unemployment Tax	SALWAGES	73,890	34,721	19,917	17,761	659	832
L 10	Montana Electric Energy Tax	CLAIMREV	0	0	0	0	0	0
L 11	Wyoming Franchise Taxes	CLAIMREV	0	0	0	0	0	0
L 12	South Dakota PUC Tax	CLAIMREV	250,238	109,399	69,837	65,433	2,494	3,076
L 13	Wyoming Sales Tax	CLAIMREV	0	0	0	0	0	0
L 14								
L 15	Local Taxes							
L 16	Property	TOTPLT	4,049,818	1,688,205	1,153,625	1,108,549	46,806	52,632
L 17								
L 18	TOIT - Payroll Loading & Other	SALWAGES	(2,820,854)	(1,325,520)	(760,346)	(678,063)	(25,166)	(31,760)
L 19								
L 20	TOTAL TAXES OTHER THAN INCOME		4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
L 21								
L 22								
L 23								
L 24								
L 25								
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L 27								
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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K 1	DEVELOPMENT OF INCOME TAXES							
K 2								
K 3	TOTAL OPERATING REVENUES	SCH I, LN 17	149,258,977	59,193,383	49,197,134	36,979,488	1,946,139	1,942,834
K 4								
K 5	LESS:							
K 6	OPERATION & MAINTAINENCE EXPENSE	SCH H, LN 178	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
K 7	DEPRECIATION EXPENSE	SCH J, LN 28	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
K 8	AMORTIZATION EXPENSE	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
K 9	TAXES OTHER THAN INCOME TAXES	SCH L, LN 20	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
K 10	MT STATE INCOME TAXES	CLAIMREV	0	0	0	0	0	0
K 11								
K 12	NET OPERATING INCOME BEFORE TAXES		47,262,249	13,834,923	20,951,785	10,774,615	970,021	730,904
K 13	AFUDC	TOTPLT	3,585,311	1,494,571	1,021,307	981,401	41,437	46,595
K 14	Interest Expense (Rate Base * Wtd Cost of Debt)		(16,335,329)	(6,780,063)	(4,655,466)	(4,517,703)	(170,691)	(211,406)
K 15	Subtotal		34,512,230	8,549,431	17,317,625	7,238,313	840,768	566,093
K 16								
K 17	Tax Adjustments:							
K 18	Permanent - Salaries & Wages	SALWAGES	(849,665)	(399,258)	(229,023)	(204,238)	(7,580)	(9,566)
K 19	Permanent - Plant	TOTPLT	(132,877)	(55,391)	(37,851)	(36,372)	(1,536)	(1,727)
K 20	Temporary - Salaries & Wages	SALWAGES	(2,659,174)	(1,249,546)	(716,766)	(639,199)	(23,723)	(29,940)
K 21	Temporary - Plant	TOTPLT	(9,697,584)	(4,042,531)	(2,762,440)	(2,654,502)	(112,080)	(126,030)
K 22	Temporary - Customer	CUST	(467,564)	(373,930)	(83,914)	(3,598)	(4,613)	(1,510)
K 23	Temporary - Other	CLAIMREV	1,211,073	529,455	337,987	316,673	12,070	14,887
K 24	Subtotal		(12,595,792)	(5,591,201)	(3,492,007)	(3,221,237)	(137,461)	(153,886)
K 25								
K 26	TAXABLE INCOME (NOL)		21,916,438	2,958,230	13,825,619	4,017,076	703,306	412,206
K 27								
K 28	Federal Income Tax @ 35%		7,670,753	1,035,381	4,838,967	1,405,977	246,157	144,272
K 29								
K 30	Other Tax Adjustments	TOTPLT	3,082,624	1,285,021	878,112	843,801	35,627	40,062
K 31								
K 32	TOTAL FEDERAL INCOME TAX		10,753,377	2,320,402	5,717,079	2,249,778	281,785	184,334
K 33								
K 34	TOTAL INCOME TAXES		10,753,377	2,320,402	5,717,079	2,249,778	281,785	184,334
K 35								
K 36								
K 37								
K 38								
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K 41								
K 42								
K 43								
K 44								
K 45								
K 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K	47							
K	48							
K	49							
K	50							
K	51							
K	52							
K	53							
K	54							
K	55	TAX RATES						
K	56	STATE TAX RATE	0.00%					
K	57	FEDERAL TAX RATE - CURRENT	35.00%					
K	58							
K	59							
K	60							
K	61							
K	62	WEIGHTED COST OF DEBT	3.01%					
K	63							
K	64							
K	65							
K	66							
K	67							
K	68							
K	69							
K	70							
K	71							
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K	90							
K	91							
K	92							

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H-1 1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR							
H-1 2								
H-1 3	PRODUCTION SALARIES & WAGES EXPENSE							
H-1 4	Operation	OX_PROD	2,563,345	975,907	761,818	779,932	14,930	30,758
H-1 5	Maintenance	MX_PROD	1,989,522	757,443	591,280	605,339	11,587	23,873
H-1 6	TOTAL PRODUCTION		4,552,867	1,733,350	1,353,097	1,385,271	26,517	54,631
H-1 7								
H-1 8	TRANSMISSION SALARIES & WAGES EXPENSE							
H-1 9	Operation	OX_TRAN	178,177	76,829	47,348	49,543	1,670	2,788
H-1 10	Maintenance	MX_TRAN	43,657	18,825	11,601	12,139	409	683
H-1 11	TOTAL TRANSMISSION		221,834	95,653	58,949	61,682	2,079	3,471
H-1 12								
H-1 13	DISTRIBUTION SALARIES & WAGES EXPENSE							
H-1 14	Operation	OX_DIST	1,343,815	702,756	347,151	261,730	15,697	16,481
H-1 15	Maintenance	MX_DIST	734,736	323,531	196,644	186,612	16,497	11,452
H-1 16	TOTAL DISTRIBUTION		2,078,550	1,026,286	543,795	448,342	32,193	27,932
H-1 17								
H-1 18	CUSTOMER ACCOUNTS SAL & WAGES EXP							
H-1 19		OX_CA	571,810	472,045	89,700	3,575	4,989	1,500
H-1 20	CUSTOMER SERVICE SAL & WAGES EXP							
H-1 21		OX_CS	490,243	392,067	87,984	3,772	4,836	1,583
H-1 22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP							
H-1 23	Operation	SALWAGXAG	3,125,582	1,468,711	842,483	751,312	27,884	35,191
H-1 24	Maintenance	SALWAGXAG	7,555	3,550	2,036	1,816	67	85
H-1 25	TOTAL ADMINISTRATIVE & GENERAL		3,133,137	1,472,261	844,520	753,128	27,952	35,276
H-1 26								
H-1 27	TOT OPER & MAINTENANCE LABOR		11,048,440	5,191,663	2,978,046	2,655,770	98,567	124,394
H-1 28								
H-1 29								
H-1 30								
H-1 31								
H-1 32								
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H-1 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 1	ALLOCATION FACTOR TABLE							
AF 2	<u>DEMAND</u>							
AF 3								
AF 4	<u>DEMAND - PRODUCTION RELATED</u>							
AF 5	Demand Production (A&E)	DPROD	0.9923	0.3778	0.2949	0.30192	0.0058	0.0119
AF 6								
AF 6								
AF 6								
AF 9	<u>DEMAND - TRANSMISSION RELATED</u>							
AF 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	381.69	165	101	106	4	6
AF 11								
AF 12								
AF 13								
AF 15								
AF 16								
AF 17								
AF 18								
AF 19								
AF 20	<u>DEMAND - DISTRIBUTION RELATED (Calculated Maximum Demand)</u>							
AF 21	Demand Distribution Primary Substation	DDISPSUB	381.69	165	101	106	4	5.97
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	381.69	165	101	106	4	6
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	381.69	165	101	106	4	6
AF 24								
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	341.90	165	101	66	4	6
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	341.90	165	101	66	4	6
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	341.90	165	101	66	4	6
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	341.90	165	101	66	4	6
AF 29								
AF 30								
AF 31								
AF 32								
AF 33								
AF 34								
AF 35								
AF 36								
AF 37								
AF 38								
AF 39								
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AF 41								
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AF 43								
AF 44								
AF 45								
AF 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 47	ALLOCATION FACTOR TABLE CONTINUED							
AF 48								
AF 49	ENERGY							
AF 50	Energy @ Generation with losses (kWh)	ENEFUEL	1,598,536,895	553,462,244	437,180,456	566,028,135	15,463,378	26,402,681
AF 51	Energy @ Generation with losses(kWh)	ENERGY1	1,598,536,895	553,462,244	437,180,456	566,028,135	15,463,378	26,402,681
AF 52	Energy @ Meter (kWh Sales)	ENERGY2	1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
AF 53								
AF 54								
AF 55								
AF 56								
AF 57								
AF 58								
AF 59								
AF 60								
AF 61	CUSTOMER							
AF 62								
AF 63	Customer Dist. Primary Substation	CDISPSUB	65,583	52,450	11,770	504	647	212
AF 64	Customer Dist. Primary Overhead Lines	CDISTPOL	64,936	52,450	11,770	504	0	212
AF 65	Customer Dist. Primary Underground Lines	CDISTPUL	64,936	52,450	11,770	504	0	212
AF 66								
AF 67								
AF 68								
AF 69								
AF 70								
AF 71								
AF 72	369-Services	CSERVICE	624	397	155	66	-	6
AF 73	370-Meters	CMETERS	15,336,942	10,918,828	3,481,618	848,577	35,332	52,587
AF 74								
AF 75	902-Meter Reading	CMETRDG	780,982	629,400	141,244	6,044	1,752	2,542
AF 76	903-Customer Records and Collections	CUSTREC	787,006	629,400	141,244	6,056	7,764	2,542
AF 77	905-Miscellaneous Customer Accounts	CUSTCAM	65,584	52,450	11,770	505	647	212
AF 78	908-Customer Assistance	CUSTASST	65,584	52,450	11,770	505	647	212
AF 79	909-Advertisement	CUSTADVT	65,584	52,450	11,770	505	647	212
AF 80	910-Miscellaneous Customer Service	CUSTCSM	65,584	52,450	11,770	505	647	212
AF 81								
AF 82								
AF 83								
AF 84	371-Installation on Customer Premises	CUSTPREM	404	0	0	0	404	0
AF 85	373-Street Lighting & Signal Systems	CLIGHT	4,283,802	0	0	0	4,283,802	0
AF 86								
AF 87	Number of Bills	CUSTBILLS	787,006	629,400	141,244	6,056	7,764	2,542
AF 88	Number of Customers	CUST	65,584	52,450	11,770	505	647	211.81
AF 89								
AF 90								
AF 91								
AF 92								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 93	ALLOCATION FACTOR TABLE CONTINUED							
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF 95								
AF 96	Plant							
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	830,616,159	342,926,606	237,559,414	229,418,547	9,798,430	10,913,161
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	280,308,957	130,653,961	75,019,174	64,330,121	6,100,115	4,205,587
AF 99	Rate Base	RATEBASE	542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
AF 100	Total Electric Plant In Service	TOTPLT	901,099,320	375,631,925	256,685,894	246,656,289	10,414,468	11,710,745
AF 101	Production Plant In Service	PRODPLT	516,414,181	196,607,266	153,476,624	157,125,948	3,007,714	6,196,629
AF 102	Transmission Plant in Service	TRANPLT	3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
AF 103	Distribution Plant in Service	DISTPLT	310,410,006	144,684,270	83,075,127	71,238,227	6,755,177	4,657,205
AF 104	Total Transmission and Distribution Plant	TDPLT	314,201,978	146,319,340	84,082,790	72,292,600	6,790,716	4,716,533
AF 105	General Plant in Service	GENLPLT	42,812,585	20,093,095	11,547,049	10,306,911	382,729	482,802
AF 106								
AF 107	Account 360	PLT_360	2,022,060	871,897	537,334	562,242	18,951	31,636
AF 108	Account 361	PLT_361	700,802	302,180	186,228	194,861	6,568	10,964
AF 109	Account 362	PLT_362	58,163,248	25,079,554	15,456,058	16,172,518	545,118	910,001
AF 110	Account 364	PLT_364	64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
AF 111	Account 365	PLT_365	39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
AF 112	Account 366	PLT_366	4,006,682	1,809,350	1,115,069	977,284	39,327	65,652
AF 113	Account 367	PLT_367	38,801,103	17,681,020	10,896,481	9,197,748	384,307	641,548
AF 114	Account 368	PLT_368	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
AF 115	Account 369	PLT_369	28,556,304	18,147,676	7,100,262	3,035,138	0	273,228
AF 116	Account 370	PLT_370	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
AF 117	Account 371	PLT_371	2,091,882	0	0	0	2,091,882	0
AF 118	Account 373	PLT_373	1,650,961	0	0	0	1,650,961	0
AF 119	Distribution Overhead Plant in Service	OHDIST	103,946,082	45,786,650	28,217,454	27,285,431	995,198	1,661,349
AF 120	Distribution Underground Plant in Service	UGDIST	42,807,785	19,490,370	12,011,549	10,175,032	423,634	707,200
AF 121	Account 371&373	PLT_3713	3,742,843	0	0	0	3,742,843	0
AF 122								
AF 123	Other Customer Class	DPLTOTH	2,368,549	0	0	0	0	2,368,549
AF 124	Residential Regular Sales Revenue	DPLTRESR	44,242,053	44,242,053	0	0	0	0
AF 125	Residential Electric Sales Revenue	DPLTRESE	10,482,511	10,482,511	0	0	0	0
AF 126	Residential Demand Sales Revenue	DPLTRESR	10,552,455	10,552,455	0	0	0	0
AF 127	GS Regular Sales Revenue	DPLTGSR	35,051,509	0	35,051,509	0	0	0
AF 128	GS Total Electric Sales Revenue	DPLTGSE	3,306,463	0	3,306,463	0	0	0
AF 129	GSL Secondary	DPLTGSLS	25,344,622	0	0	25,344,622	0	0
AF 130	GSL Primary	DPLTGSLP	1,331,206	0	0	1,331,206	0	0
AF 131								
AF 132								
AF 133								
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	69,114,152	31,332,084	18,968,198	17,415,532	604,732	793,606
AF 135	Supervised O&M Expense excluding CUS	OMXFPPPT	32,496,868	14,904,174	8,859,519	8,060,272	299,724	373,179
AF 136								
AF 137								
AF 138								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 139	ALLOCATION FACTOR TABLE CONTINUED							
AF 140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF 141	Production Expense							
AF 142	Account 500	OX_500	1,575,786	599,927	468,319	479,454	9,178	18,908
AF 143	Account 501	OX_501	0	0	0	0	0	0
AF 144	Account 502	OX_502	1,898,285	722,708	564,164	577,579	11,056	22,778
AF 145	Account 505	OX_505	1,047,976	398,982	311,455	318,861	6,104	12,575
AF 146	Account 506	OX_506	704,792	268,326	209,462	214,442	4,105	8,457
AF 147	Account 510	MX_510	1,335,855	508,582	397,012	406,452	7,780	16,029
AF 148	Account 511	MX_511	681,505	259,460	202,541	207,357	3,969	8,178
AF 149	Account 512	MX_512	3,081,595	1,173,213	915,840	937,617	17,948	36,977
AF 150	Account 513	MX_513	544,270	207,212	161,755	165,601	3,170	6,531
AF 151	Account 514	MX_514	118,124	44,972	35,106	35,941	688	1,417
AF 152	Account 546	OX_546	310,307	118,139	92,222	94,415	1,807	3,723
AF 153	Account 547	OX_547	0	0	0	0	0	0
AF 154	Account 548	OX_547	609,718	232,130	181,206	185,515	3,551	7,316
AF 155	Account 549	OX_549	1,032,324	393,023	306,803	314,098	6,012	12,387
AF 156	Account 551	MX_551	184,556	70,263	54,849	56,154	1,075	2,215
AF 157	Account 552	MX_552	86,885	33,078	25,822	26,436	506	1,043
AF 158	Account 553	MX_553	1,904,803	725,189	566,101	579,562	11,094	22,856
AF 159	Account 554	MX_554	516,089	196,484	153,380	157,027	3,006	6,193
AF 160	Account 556	OX_556	1,134,504	431,924	337,171	345,188	6,608	13,613
AF 161	Account 555	OX_555	6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
AF 162	Account 557	OX_557	0	0	0	0	0	0
AF 163	O&M Expense Production Operation	OX_PROD	5,293,096	2,015,168	1,573,091	1,610,495	30,828	63,514
AF 164	O&M Expense Production Maintenance	MX_PROD	13,827,328	5,264,288	4,109,437	4,207,150	80,534	165,919
AF 165	Salaries and Wages Production Operation	SALWAGPO	2,563,345	975,907	761,818	779,932	14,930	30,758
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	1,989,522	757,443	591,280	605,339	11,587	23,873
AF 167	Transmission Expense							
AF 168	Account 560	OX_560	187,969	81,051	49,950	52,266	1,762	2,941
AF 169	Account 561	OX_561	0	0	0	0	0	0
AF 170	Account 562	OX_562	0	0	0	0	0	0
AF 171	Account 563	OX_563	17,212	7,422	4,574	4,786	161	269
AF 172	Account 565	OX_565	0	0	0	0	0	0
AF 173	Account 566	OX_566	28,154	12,140	7,482	7,828	264	440
AF 174	Account 567	OX_567	0	0	0	0	0	0
AF 175	Account 568	MX_568	50	22	13	14	0	1
AF 176	Account 569	MX_569	0	0	0	0	0	0
AF 177	Account 570	MX_570	32,453	13,994	8,624	9,024	304	508
AF 178	Account 571	MX_571	16,488	7,110	4,381	4,585	155	258
AF 179	Account 573	MX_573	1,008	435	268	280	9	16
AF 180	O&M Accounts 561-567	OX_TRAN	45,366	19,562	12,055	12,614	425	710
AF 181	O&M Accounts 569-573	MX_TRAN	49,949	21,538	13,273	13,889	468	781
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	178,177	76,829	47,348	49,543	1,670	2,788
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	43,657	18,825	11,601	12,139	409	683
AF 184								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 185	ALLOCATION FACTOR TABLE CONTINUED							
AF 186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF 187	Distribution Expense							
AF 188	Account 580	OX_580	1,620,799	847,607	418,705	315,678	18,932	19,878
AF 189	Account 581	OX_581	599,687	279,518	160,494	137,626	13,050	8,997
AF 190	Account 582	OX_582	375,020	161,706	99,656	104,276	3,515	5,867
AF 191	Account 583	OX_583	461,010	203,068	125,147	121,013	4,414	7,368
AF 192	Account 584	OX_584	298,571	135,939	83,777	70,968	2,955	4,932
AF 193	Account 585	OX_585	1	0	0	0	1	0
AF 194	Account 586	OX_586	756,867	538,836	171,815	41,877	1,744	2,595
AF 195	Account 587	OX_587	21,902	15,593	4,972	1,212	50	75
AF 196	Account 588	OX_588	343,006	159,877	91,799	78,719	7,465	5,146
AF 197	Account 589	OX_589	16,570	7,723	4,435	3,803	361	249
AF 198	Account 590	MX_590	1,179	519	316	299	26	18
AF 199	Account 592	MX_592	240,304	103,617	63,857	66,817	2,252	3,760
AF 200	Account 593	MX_593	3,517,711	1,549,498	954,926	923,385	33,679	56,223
AF 201	Account 594	MX_594	229,373	104,433	64,360	54,520	2,270	3,789
AF 202	Account 595	MX_595	45,831	22,062	13,596	8,892	480	801
AF 203	Account 596	MX_596	54,502	0	0	0	54,502	0
AF 204	Account 597	MX_597	66,547	47,377	15,107	3,682	153	228
AF 205	Account 598	MX_598	88,738	41,361	23,749	20,365	1,931	1,331
AF 206	O&M Accounts 581-589	OX_DIST	2,872,633	1,502,261	742,095	559,493	33,554	35,231
AF 207	O&M Accounts 591-598	MX_DIST	4,243,005	1,868,348	1,135,596	1,077,662	95,267	66,132
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,343,815	702,756	347,151	261,730	15,697	16,481
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	734,736	323,531	196,644	186,612	16,497	11,452
AF 210								
AF 211	Account 902	OX_902	19,153	15,436	3,464	148	43	62
AF 212	Account 903	OX_903	1,161,267	928,711	208,413	8,936	11,456	3,751
AF 213	Account 904	OX_904	406,612	380,958	23,967	0	1,687	0
AF 214	O&M Accounts 902-905	OX_CA	2,167,350	1,789,208	339,994	13,549	18,911	5,687
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	571,810	472,045	89,700	3,575	4,989	1,500
AF 216								
AF 217	Account 908	OX_908	1,260,065	1,007,724	226,144	9,696	12,431	4,070
AF 218	Account 909	OX_909	11,956	9,562	2,146	92	118	39
AF 219	Account 910	OX_910	58,797	47,022	10,552	452	580	190
AF 220	O&M Accounts 908-910	OX_CS	1,330,818	1,064,308	238,843	10,240	13,129	4,298
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	490,243	392,067	87,984	3,772	4,836	1,583
AF 222								
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	7,915,304	3,719,402	2,133,526	1,902,642	70,615	89,118
AF 224	Total Salaries and Wages Expense	SALWAGES	11,048,440	5,191,663	2,978,046	2,655,770	98,567	124,394
AF 225								
AF 226								
AF 227								
AF 228								
AF 229								
AF 230								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 231	REVENUES AND BILLING DETERMINANTS							
AF 232								
AF 233	Base Rate Sales Revenue	SALESREV	124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
AF 234	Other Sales Revenue	SREVOTH	1,630,824	0	0	0	0	1,630,824
AF 235	Residential Regular Sales Revenue	SREVRESR	35,492,218	35,492,218	0	0	0	0
AF 236	Residential Total Electric Sales Revenue	SREVRESE	7,437,951	7,437,951	0	0	0	0
AF 237	Residential Total Electric Demand Sales Rev	SREVRESED	6,079,820	6,079,820	0	0	0	0
AF 238	GS Regular Sales Revenue	SREVSGSR	38,157,474	0	38,157,474	0	0	0
AF 239	GS Total Electric Sales Revenue	SREVSGSE	3,448,305	0	3,448,305	0	0	0
AF 240	GS Total Other Sales Revenue	SREVSGSO	391,618	0	391,618	0	0	0
AF 241	GSL Secondary	SREVGSLS	20,464,147	0	0	20,464,147	0	0
AF 242	GSL Primary	SREVGSLP	1,292,293	0	0	1,292,293	0	0
AF 243	GSL Other	SREVGSL0	1,013,376	0	0	1,013,376	0	0
AF 244	Traffic Signals & Flashers	SREVTSF	61,795	0	0	0	61,795	0
AF 245	Private Area Lighting Leased	SREVPAL	522,251	0	0	0	522,251	0
AF 246	Street Lighting Leased	SREVSL	713,215	0	0	0	713,215	0
AF 247	Street Lighting Energy & Maint Cust Owned	SREVSLEM	346,207	0	0	0	346,207	0
AF 248	Street Lighting Non-Metered Services/Rentals	SREVLSR	58,949	0	0	0	58,949	0
AF 249						0		
AF 250	Claimed Rate Sales Revenue	CLAIMREV	138,803,591	60,681,967	38,737,436	36,294,538	1,383,411	1,706,240
AF 251								
AF 252	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AF 253			14,634,283					
AF 254	Total Base Sales of Electricity Revenues		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
AF 255	Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF 256	Fuel Revenues		(33,682,213)	(11,711,397)	(9,118,806)	(11,978,759)	(322,538)	(550,713)
AF 257	Proforma Rate Increase Sales Revenues		11,127,436	3,641,397	4,257,660	2,900,781	138,439	189,158
AF 258								
AF 259								
AF 260	<u>BILLING DETERMINATE INPUTS</u>							
AF 261	Number of Customer Bills	SCH AF, LN 87	787,006	629,400	141,244	6,056	7,764	2,542
AF 262	Annual kWh Sales @ Meter	SCH AF, LN 52	1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
AF 263	Annual kW - Billed		3,141,583	426,380	1,574,160	1,073,238	0	67,804
AF 264								
AF 265								
AF 266	<u>RATE OF RETURN</u>							
AF 267	Rate of Return (Equalized)	SCH AF, LN 267	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
AF 268								
AF 269								
AF 270	<u>PROPOSED REVENUES FROM SALES INPUT</u>							
AF 271	Annual kWh Sales - Proposed	SCH AF, LN 262	1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
AF 272	Sales of Electricity Revenues - Proposed Total		138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191
AF 273	Sales of Electricity Revenues - Proposed		138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191
AF 274	Credit		0	0	0	0	0	0
AF 275	Credit	DPROD	0	0	0	0	0	0
AF 276								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 1	ALLOCATION PROPORTIONS TABLE							
AP 2	<u>DEMAND</u>							
AP 3								
AP 4	<u>DEMAND - PRODUCTION RELATED</u>							
AP 5	Demand Production (A&E)	DPROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 9	<u>DEMAND - TRANSMISSION RELATED</u>							
AP 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 11								
AP 12								
AP 13								
AP 15								
AP 16								
AP 17								
AP 18								
AP 19								
AP 20	<u>DEMAND - DISTRIBUTION RELATED (Calculated Maxim</u>							
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 24								
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 29								
AP 30								
AP 31								
AP 32								
AP 33								
AP 34								
AP 35								
AP 36								
AP 37								
AP 38								
AP 39								
AP 40								
AP 41								
AP 42								
AP 43								
AP 44								
AP 45								
AP 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 47	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 48								
AP 49	ENERGY							
AP 50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.34623	0.27349	0.35409	0.00967	0.01652
AP 51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.34623	0.27349	0.35409	0.00967	0.01652
AP 52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.34422	0.27190	0.35785	0.00962	0.01642
AP 53								
AP 54								
AP 55								
AP 56								
AP 57								
AP 58								
AP 59								
AP 60								
AP 61	CUSTOMER							
AP 62								
AP 63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.79975	0.17947	0.00768	0.00987	0.00323
AP 64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP 65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP 66								
AP 67								
AP 68								
AP 69								
AP 70								
AP 71								
AP 72	369-Services	CSERVICE	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP 73	370-Meters	CMETERS	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 74								
AP 75	902-Meter Reading	CMETRDG	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP 76	903-Customer Records and Collections	CUSTREC	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 78	908-Customer Assistance	CUSTASST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 79	909-Advertisement	CUSTADVT	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 81								
AP 82			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 83								
AP 84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 86								
AP 87	Number of Bills	CUSTBILLS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 88	Number of Customers	CUST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 89								
AP 90								
AP 91								
AP 92								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 93	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 94	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 95								
AP 96	Plant							
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.41286	0.28600	0.27620	0.01180	0.01314
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 99	Rate Base	RATEBASE	1.00000	0.41506	0.28499	0.27656	0.01045	0.01294
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.41686	0.28486	0.27373	0.01156	0.01300
AP 101	Production Plant In Service	PRODPLT	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.46569	0.26761	0.23008	0.02161	0.01501
AP 105	General Plant in Service	GENLPLT	1.00000	0.46933	0.26971	0.24074	0.00894	0.01128
AP 106								
AP 107	Account 360	PLT_360	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 108	Account 361	PLT_361	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 109	Account 362	PLT_362	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 110	Account 364	PLT_364	1.00000	0.44169	0.27220	0.26048	0.00960	0.01603
AP 111	Account 365	PLT_365	1.00000	0.43854	0.27027	0.26574	0.00953	0.01591
AP 112	Account 366	PLT_366	1.00000	0.45158	0.27830	0.24391	0.00982	0.01639
AP 113	Account 367	PLT_367	1.00000	0.45568	0.28083	0.23705	0.00990	0.01653
AP 114	Account 368	PLT_368	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 115	Account 369	PLT_369	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP 116	Account 370	PLT_370	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 117	Account 371	PLT_371	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 118	Account 373	PLT_373	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 121	Account 371&373	PLT_3713	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 122								
AP 123	Other Customer Class	DPLTOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP 124	Residential Regular Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 125	Residential Electric Sales Revenue	DPLTRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 126	Residential Demand Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 127	GS Regular Sales Revenue	DPLTGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 128	GS Total Electric Sales Revenue	DPLTGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 129	GSL Secondary	DPLTGSL	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 130	GSL Primary	DPLTGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 131								
AP 132								
AP 133								
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.45334	0.27445	0.25198	0.00875	0.01148
AP 135	Supervised O&M Expense excluding CUS	OMXFPT						
AP 136								
AP 137								
AP 138								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 141	Production Expense							
AP 142	Account 500	OX_500	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 143	Account 501	OX_501	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 144	Account 502	OX_502	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 145	Account 505	OX_505	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 146	Account 506	OX_506	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 147	Account 510	MX_510	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 148	Account 511	MX_511	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 149	Account 512	MX_512	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 150	Account 513	MX_513	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 151	Account 514	MX_514	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 152	Account 546	OX_546	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 153	Account 547	OX_547	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 154	Account 548	OX_547	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 155	Account 549	OX_549	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 156	Account 551	MX_551	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 157	Account 552	MX_552	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 158	Account 553	MX_553	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 159	Account 554	MX_554	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 160	Account 556	OX_556	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 161	Account 555	OX_555	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 162	Account 557	OX_557	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 167	Transmission Expense							
AP 168	Account 560	OX_560	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 169	Account 561	OX_561	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 172	Account 565	OX_565	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 173	Account 566	OX_566	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 174	Account 567	OX_567	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 176	Account 569	MX_569	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 178	Account 571	MX_571	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 179	Account 573	MX_573	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 184								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 187	Distribution Expense							
AP 188	Account 580	OX_580	1.00000	0.52296	0.25833	0.19477	0.01168	0.01226
AP 189	Account 581	OX_581	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 190	Account 582	OX_582	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 191	Account 583	OX_583	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 192	Account 584	OX_584	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 193	Account 585	OX_585	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 194	Account 586	OX_586	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 195	Account 587	OX_587	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 196	Account 588	OX_588	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 197	Account 589	OX_589	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 198	Account 590	MX_590	1.00000	0.44034	0.26764	0.25399	0.02245	0.01559
AP 199	Account 592	MX_592	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 200	Account 593	MX_593	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 201	Account 594	MX_594	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 202	Account 595	MX_595	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 203	Account 596	MX_596	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 204	Account 597	MX_597	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 205	Account 598	MX_598	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.52296	0.25833	0.19477	0.01168	0.01226
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.44034	0.26764	0.25399	0.02245	0.01559
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.52296	0.25833	0.19477	0.01168	0.01226
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.44034	0.26764	0.25399	0.02245	0.01559
AP 210								
AP 211	Account 902	OX_902	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP 212	Account 903	OX_903	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 213	Account 904	OX_904	1.00000	0.93691	0.05894	0.00000	0.00415	0.00000
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.82553	0.15687	0.00625	0.00873	0.00262
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.82553	0.15687	0.00625	0.00873	0.00262
AP 216								
AP 217	Account908	OX_908	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 218	Account909	OX_909	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 219	Account910	OX_910	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 222								
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.46990	0.26954	0.24038	0.00892	0.01126
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.46990	0.26954	0.24038	0.00892	0.01126
AP 225								
AP 226								
AP 227								
AP 228								
AP 229								
AP 230								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 231	REVENUES AND BILLING DETERMINANTS							
AP 232								
AP 233	Base Rate Sales Revenue	SALESREV	1.00000	0.39470	0.33823	0.24023	0.01371	0.01313
AP 234	Other Sales Revenue	SREVOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP 235	Residential Regular Sales Revenue	SREVRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 236	Residential Total Electric Sales Revenue	SREVRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 237	Residential Total Electric Demand Sales Rev	SREVRESED	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 238	GS Regular Sales Revenue	SREVSGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 239	GS Total Electric Sales Revenue	SREVSGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 240	GS Total Other Sales Revenue	SREVSGSO	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 241	GSL Secondary	SREVGSLS	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 242	GSL Primary	SREVGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 243	GSL Other	SREVGSL0	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 244	Traffic Signals & Flashers	SREVTSF	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 245	Private Area Lighting Leased	SREVPAL	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 246	Street Lighting Leased	SREVSL	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 247	Street Lighting Energy & Maint Cust Owned	SREVSLEM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 248	Street Lighting Non-Metered Services/Rentals	SREVLSR	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 249								
AP 250	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.43718	0.27908	0.26148	0.00997	0.01229
AP 251								
AP 252	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AP 253								
AP 254	Total Base Sales of Electricity Revenues		1.00000	0.39470	0.33823	0.24023	0.01371	0.01313
AP 255	Sales of Electricity Revenues		1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP 256	Fuel Revenues		1.00000	0.34770	0.27073	0.35564	0.00958	0.01635
AP 257	Proforma Rate Increase Sales Revenues		1.00000	0.32724	0.38263	0.26069	0.01244	0.01700
AP 258								
AP 259								
AP 260								
AP 261								
AP 262								
AP 263								
AP 264								
AP 265								
AP 266								
AP 267								
AP 268								
AP 269								
AP 270								
AP 271								
AP 272								
AP 273								
AP 274								
AP 275								
AP 276								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	Write-Offs							
ADA 5	Other Sales Revenue	SREVOTH	0	0	0	0	0	0
ADA 6	Residential Regular Sales Revenue	SREVRESR	406,675	406,675	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	103,654	103,654	0	0	0	0
ADA 8	Residential - Demand	SREVRESED	16,603	16,603	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVSGSR	30,912	0	30,912	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVSGSE	2,178	0	2,178	0	0	0
ADA 11	GS Other	SREVSGSO	61	0	61	0	0	0
ADA 12	GSL Secondary	SREVGSL S	0	0	0	0	0	0
ADA 13	GSL Primary	SREVGSL P	0	0	0	0	0	0
ADA 14	Private Area Lighting Leased	SREVPAL	2,059	0	0	0	2,059	0
ADA 15	Street Lighting Leased	SREVSL	0	0	0	0	0	0
ADA 16	Street Lighting Energy & Maint Cust Owned	SREVSLEM	0	0	0	0	0	0
ADA 17	Street Lighting Non-Metered Services/Rentals	SREVSLSR	274	0	0	0	274	0
ADA 18	Total Write-Offs	EXP_904	562,416	526,932	33,151	0	2,333	0
ADA 19								
ADA 20	Total Write-Offs	EXP_904	1.00000	0.93691	0.05894	0.000000	0.00415	0.00000
ADA 21								
ADA 22	Customer Advances for Construction							
ADA 23	Other	DPLTOTH	7,712	0	0	0	0	7,712
ADA 24	Residential Regular	DPLTRESR	177,941	177,941	0	0	0	0
ADA 25	Residential Total Electric	DPLTRESE	20,375	20,375	0	0	0	0
ADA 26	Residential Electric Demand	DPLTRES D	18,981	18,981	0	0	0	0
ADA 27	GS Regular	DPLTGSR	474,629	0	474,629	0	0	0
ADA 28	GS Total Electric	DPLTGSE	20,901	0	20,901	0	0	0
ADA 29	GSL Secondary	DPLTGSL S	161,691	0	0	161,691	0	0
ADA 30	Traffic Signals & Flashers	PLT_3713	6,468	0	0	0	6,468	0
ADA 31								
ADA 32	Customer Advances for Construction	CUSTADV	888,699	217,297	495,530	161,691	6,468	7,712
ADA 33								
ADA 34	Customer Advances for Construction	CUSTADV	1.00000	0.24451	0.55759	0.181942	0.00728	0.00868
ADA 35								
ADA 36								
ADA 37								
ADA 38								
ADA 39								
ADA 40								
ADA 41								
ADA 42								
ADA 43								
ADA 44								
ADA 45								
ADA 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	DSM							
ADA 5	Other Sales Revenue	SREVOTH	17,170	0	0	0	0	17,170
ADA 6	Residential Regular Sales Revenue	SREVRESR	279,448	279,448	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	76,729	76,729	0	0	0	0
ADA 8	Residential - Demand	SREVRESED	78,004	78,004	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVGSR	256,806	0	256,806	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVGSE	28,070	0	28,070	0	0	0
ADA 11	GS Other	SREVGSO	5,449	0	5,449	0	0	0
ADA 12	GSL Secondary	SREVGSL	215,811	0	0	215,811	0	0
ADA 13	GSL Primary	SREVGSLP	0	0	0	0	0	0
ADA 14	Traffic Signals & Flashers	SREVTSF	519	0	0	0	519	0
ADA 15	Private Area Lighting Leased	SREVPAL	2,887	0	0	0	2,887	0
ADA 16	Street Lighting Leased	SREVSL	2,641	0	0	0	2,641	0
ADA 17	Street Lighting Energy & Maint Cust Owned	SREVSLEM	4,419	0	0	0	4,419	0
ADA 18	Street Lighting Non-Metered Services/Rentals	SREVLSR	0	0	0	0	0	0
ADA 19	Total DSM	SREVDSM	967,955	434,181	290,326	215,811	10,468	17,170
ADA 20								
ADA 21	Total DSM	SREVDSM	1.00000	0.44856	0.29994	0.222955	0.01081	0.01774
ADA 22								
ADA 23								
ADA 24								
ADA 25								
ADA 26								
ADA 27								
ADA 28								
ADA 29								
ADA 30								
ADA 31								
ADA 32								
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ADA 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
RRW 1	REVENUE REQUIREMENTS							
RRW 2								
RRW 3	PRESENT RATES							
RRW 4	-----							
RRW 5	RATE BASE		542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
RRW 6	NET OPER INC (PRESENT RATES)		36,508,872	11,514,521	15,234,707	8,524,838	688,237	546,570
RRW 7	RATE OF RETURN (PRES RATES)		6.73%	5.11%	9.85%	5.68%	12.14%	7.78%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.76	1.46	0.84	1.80	1.16
RRW 9	SALES REVENUE (PRE RATES)		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
RRW 10	REVENUE PRES RATES \$/KWH		\$0.0840	\$0.0964	\$0.1045	\$0.0564	\$0.1198	\$0.0672
RRW 11	REVENUE REQUIRED - \$/MO/CUST		\$1,890.24	\$934.41	\$3,568.06	\$59,108.11	\$2,631.25	\$5,132.86
RRW 12	SALES REV REQUIRED \$/KW		\$39.52	\$114.94	\$26.68	\$27.79	\$0.00	\$24.05
RRW 13								
RRW 14	CLAIMED RATE OF RETURN							
RRW 15	-----							
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		46,021,127	19,101,306	13,115,733	12,727,614	480,883	595,590
RRW 18	SALES REVENUE REQ CLAIMED ROR		138,803,591	60,681,967	38,737,436	36,294,538	1,383,411	1,706,240
RRW 19	REVENUE DEFICIENCY SALES REV		14,634,238	11,671,978	(3,259,960)	6,465,811	(319,005)	75,415
RRW 20	PERCENT INCREASE REQUIRED		9.27%	19.26%	-6.37%	15.44%	-15.74%	3.45%
RRW 21	ANNUAL BOOKED KWH SALES		1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
RRW 22	SALES REV REQUIRED \$/KWH		\$0.0939	\$0.1193	\$0.0964	\$0.0686	\$0.0974	\$0.0703
RRW 23	REVENUE DEFICIENCY \$/KWH		\$0.0099	\$0.0230	(\$0.0081)	\$0.0122	(\$0.0225)	\$0.0031
RRW 24								
RRW 25	PROPOSED REVENUES							
RRW 26	-----							
RRW 27	PROPOSED SALES REVENUES		138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191
RRW 28	REVENUE DEFICIENCY SALES REV		14,634,283	6,536,664	3,736,357	4,068,239	148,657	144,367
RRW 29	PERCENT INCREASE PROPOSED		9.27%	10.79%	7.30%	9.71%	7.34%	6.61%
RRW 30	PROPOSED RATE OF RETURN		8.48%	7.00%	11.42%	7.44%	13.84%	9.12%
RRW 31	RETURN REQ FOR PROPOSED REV		46,021,156	15,763,353	17,663,339	11,169,193	784,864	640,408
RRW 32	ANNUAL BOOKED KWH SALES		1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
RRW 33	SALES REV REQUIRED \$/KWH		\$0.0939	\$0.1092	\$0.1138	\$0.0641	\$0.1303	\$0.0732
RRW 34	REVENUE DEFICIENCY \$/KWH		\$0.0099	\$0.0129	\$0.0093	\$0.0077	\$0.0105	\$0.0060
RRW 35								
RRW 36								
RRW 37								
RRW 38								
RRW 39								
RRW 40								
RRW 41								
RRW 42								
RRW 43								
RRW 44								
RRW 45								
RRW 46								

Section P

20:10:13:100. Statement P – Energy Cost Adjustment Factors. Statement P shall show the derivation of the cost adjustment factor as stated therein if the rate schedule or sales contract embodies a fuel clause or gas adjustment clause. If the fuel clause differs from the one prescribed by the commission, the statement shall show the derivation as proposed by the company and as prescribed by the commission.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

Statement P Page 1 - Fuel and Purchase Power Adjustment. This schedule is used to calculate the test year base unit cost by adding together Steam Plant Fuel, Other Production Fuel, Purchase Power expenses, Reagent costs, Incremental SD Property Taxes and Incremental SD Contract Sales. This total is then divided by the retail energy sales.

Statement P Page 2 - Transmission Adjustment. This schedule is used to calculate the test year base unit cost for Transmission by taking the adjusted Transmission expenses and dividing by the total retail energy sales.

BLACK HILLS POWER, INC.
DERIVATION OF BASE UNIT COST - FUEL AND PURCHASE POWER ADJUSTMENT
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	Total Company Costs		
1a	Steam Plant Fuel Expense (Adjusted) - FERC Account 501	Such H-9, Ln. 28	\$ 17,482,287
2			
3	Other Production Fuel Expense (Adjusted) - FERC Account 547	Such H-9, Ln. 17	1,759,552
4			
5	Purchase Power - Energy (Adjusted) - FERC Account 555	Such H-9, Ln. 7	13,266,017
6			
7	Plus: Reagent Costs- Lime, Lime Freight, Ammonia, Chemical	Such H-9, Ln. 49	1,011,946
8			
9	Base Cost for Fuel and Purchase Power Expense	Sum (Ln.1a:Ln.7)	<u><u>\$ 33,519,802</u></u>
10			
11	Incremental South Dakota Jurisdictional Costs		
12	Property Taxes		
13	Annual SD Property Taxes (Note 1):		
14	Total Company Amount	Stmt L, Ln. 14	\$ 5,042,451
15	FERC Jurisdictional Property Taxes	FERC Formula Rate	601,902
16	Retail Jurisdictional - SD, WY, & MT	Ln. 14 - Ln. 15	4,440,549
17	SD Property Tax Allocation - Total Plant	Stmt N-1, Such AP, Ln. 100	<u>91.201%</u>
18	SD Property Tax Amount	Ln. 16 * Ln. 17	4,049,818
19	Base SD Property Taxes	Stmt N-1, Such L, Ln. 16	4,049,818
20	Incremental Property Taxes	Ln. 18 - Ln. 19	<u><u>\$ -</u></u>
21			
22	Long-Term Contract Sales		
23	Annual SD Long-Term Contract Sales (Note 1):		
24	Total Company Amount	Stmt I, Pg 1, Ln. 10	\$ 21,472,488
25	SD Contract Sales Allocation - Demand Production	Stmt N-1, Such AP, Ln. 100	<u>89.831%</u>
26	SD Contract Sales Amount	Ln. 24 * Ln. 25	19,288,845
27	Base SD Contract Sales	Stmt N-1, Such I, Ln. 5	19,288,845
28	Incremental Contract Sales	Ln. 26 - Ln. 27	<u><u>\$ -</u></u>
29			
30		<u>kWh SALES</u>	
31			
32	Retail Energy Sales (Note 2)	WP-1 (Ln. 48(a)) * 1000	1,696,490,136
33			
34	Base Unit Cost for Fuel and Purchase Power (Note 3)	(Ln.9 + Ln. 20 - Ln 28)/ Ln.13	<u><u>\$ 0.01976</u></u> /kWh
35			
36	Base Unit Cost for Fuel and Purchase Power	Approved Docket EL09-018	<u><u>\$ 0.01460</u></u> /kWh
37			
38	Note 1: The annual SD property tax and contract sales calculations are for illustrative purposes only. The annual total company and FERC jurisdictional amounts will reflect the actual costs for the FPPA time period, allocated to SD based on the jurisdictional allocations established in this docket. The South Dakota property taxes and contract sales will be compared to the amount included in base rates to determine the incremental change that needs to be recovered or credited to customers through the FPPA.		
39	Note 2: The revised FPPA rate will be calculated using retail energy sales instead of system energy sales. This modification allows for the collection of fuel costs associated with contract sales from retail customers. The matching principle supports the inclusion of the fuel costs associated with contract sales as retail customers are receiving 100% of the wholesale contract revenues through the ECA per Docket EL12-062.		
40	Note 3: In Docket EL12-061, the Commission approved removing the ECA costs from base rates. The calculation is for illustrative purposes only.		
41			
42			
43			
44			
45			
46			
47			

BLACK HILLS POWER, INC.
DERIVATION OF BASE UNIT COST OF TRANSMISSION
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	Transmission Expense (Adjusted)- FERC Account 565	Sch H-9, Ln. 38	\$ 17,732,568
2			
3	Base Cost for Transmission Expense		<u>\$ 17,732,568</u>
4			
5	<u>kWh SALES</u>		
6			
7	Retail Energy Sales	WP-1 Ln.48(a) * 1000	1,696,490,136
8			
9	Base Unit Cost for Transmission	Ln.3 / Ln.7	<u>\$ 0.01045</u> /kWh
10			
11	Base Unit Cost for Transmission	Approved Docket EL09-018	<u>\$ 0.00810</u> /kWh
12			
13	Note: The Statement is for illustrated purposes only. The Company is not proposing a change to the base cost for the Transmission		
14	Cost Adjustment. The base unit cost approved in Docket EL09-018 is used to calculate the removal of the Energy Cost Revenue on		
15	Statement I page 4, line 1.		

Section Q

20:10:13:101. Statement Q -- Description of Utility Operations. Statement Q shall include a description of the utility's area and diversity of operations, including miles of lines and generating stations operated and a breakdown of sales between jurisdictional and nonjurisdictional. A concise statement of the last rate case of the filing public utility, whether or not it was concluded at the time of the filing of the current rate increase, shall also be included.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
DESCRIPTION OF UTILITY OPERATIONS
For the Test Year Ended September 30, 2013

Line No.	Policy Description
1	<p>Black Hills Power, Inc. ("Black Hills Power") is an electric utility serving retail customers in South Dakota, Wyoming, and Montana. Black Hills Power is incorporated in South Dakota and began providing electric service in 1941. Black Hills Power is a wholly-owned subsidiary of the publicly traded company, Black Hills Corporation.</p>
2	
3	
4	
5	
6	<p>Black Hills Power is engaged in the generation, transmission, and distribution of electricity. We serve approximately 68,000 retail electric customers in 34 communities in western South Dakota, northeastern Wyoming and southeastern Montana.</p>
7	
8	
9	<p>In addition to retail sales of electric energy, Black Hills Power sells wholesale power to Montana Dakota Utilities for Sheridan, Wyoming, to the Municipal Energy Agency of Nebraska and to the City of Gillette for their replacement energy when Wygen III is offline. Black Hills Power also makes short-term wholesale power sales when economically feasible.</p>
10	
11	
12	
13	
14	<p>The electric system owned by Black Hills Power consists of approximately 590 miles of 230 kV transmission lines and a lower voltage distribution system. Black Hills Power is interconnected with the Western Area Power Administration Rocky Mountain Regions' west 230 kV bus at Stegall, Nebraska and the Dave Johnston substation near Glenrock, Wyoming. Black Hills Power is interconnected with PacifiCorp at the Wyodak plant near Gillette, Wyoming and the Windstar and Dave Johnston substations near Glenrock, Wyoming. Black Hills Power is also interconnected with Western Area Power Administration's Upper Great Plains Region, through the Rapid City Converter Tie.</p>
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	<p>Black Hills Power has generating facilities located at the Wyodak site near Gillette, Wyoming, in Osage, Wyoming and in Rapid City, South Dakota. In addition to these generating plants, Black Hills Power has a long-term purchase power agreement with PacifiCorp for 50 megawatts of capacity and associated energy.</p>
25	
26	
27	
28	<p>The last South Dakota rate filing was submitted December 17, 2012 and an order issued by the South Dakota Public Utilities Commission on September 19, 2013.</p>
29	
30	

Section R

20:10:13:102. Statement R – Coal Supply Pricing. If any of the preceding statements cover purchases or other transfers of equipment, fuels or gas, materials, or services from an affiliate that are not regulated for price, the applicant shall submit a detailed explanation, including a showing of the affiliate's rate of return on investment associated with the purchases and the prices of comparable equipment, materials, or services offered by unaffiliated suppliers.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

Statement R - Part I
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power and Cheyenne Light, Fuel and Power Company
for the 12 Months ended December 31, 2014

Statement R
Page 1 of 6

Line No.	2014 (1) Total Company	(2) Applicable Sales to BHP/CLFP
1	\$ 125,461,196	
2	<u>68,891,652</u>	
3	\$ 56,569,544	\$ 23,974,173 (a)
4	7,366,971	
5	<u>6,525,461</u>	
6	841,510	438,932 (b)
7	21,258,905	
8	<u>13,195,390</u>	
9	8,063,515	3,417,318 (c)
10	425,000	
11	<u>425,000</u>	
12	<u>-</u>	<u>-</u>
13	65,474,569	27,830,423
14	-	- (a)
15	<u>11,687,456</u>	<u>4,953,144 (a)</u>
16	<u>\$ 77,162,025</u>	<u>\$ 32,783,567</u>
<hr/>		
17	(a) Percent Applicable to Mining (Part III, Line 6)	42.38%
18	(b) Percent Applicable to Blending Facility (Part III, Line 9)	52.16%
19	(c) Percent Applicable to Processing (Part III, Line 11)	42.38%
20	* from Input page	

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Statement R - Part II
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power/Cheyenne Light Fuel & Power
for the 12 Months ended December 31, 2014

Statement R
Page 2 of 6

<u>Line No.</u>	(1)	(2)	(3)	
	<u>Total Company</u>	<u>Applicable Sales to BHP Ownership & CLFP</u>	<u>Adjusted</u>	
1	Receipts from Coal Sales*	\$ 64,813,452	\$ 28,502,034	\$ 28,502,191
2	Operating Expenses:			
3	Mining Expenses (from Schedule B)	24,089,022	10,208,928	(a) 10,208,928
4	Royalties*	8,101,681	3,562,754	(e) 3,562,754
4a	Royalty tax from prior year activity			
5	Production Tax*	3,051,939	1,342,105	(e) 1,342,105
5a	Production tax from prior year activity			
6	Severance Tax*	3,607,798	1,586,547	(e) 1,586,547
6a	Severance Tax from Prior Year activity			
7	Black Lung Tax*	1,857,489	816,840	(e) 816,840
7a	Black Lung tax from prior year activity			
8	Blending Facility Expenses (from Schedule B)	1,523,875	794,853	(b) 794,853
9	Processing Expenses (from Schedule B)	2,526,007	1,070,522	(c) 1,070,522
10	Depreciation and Depletion of Mining Plant (from Schedule B)	8,520,022	3,610,785	(a) 3,610,785
11	Depreciation -- Blending Facility (from Schedule B)	227,386	118,605	(b) 118,605
12	Depreciation -- Processing Plant (from Schedule B)	1,737,242	736,243	(c) 736,243
13	Depreciation -- Investment for BHP/CLFP Sale*	-	-	
14	Federal Reclamation, FICA, and Unemployment*	1,645,022	697,160	(a) 697,160
14a	Fed Reclamation tax from prior year activity			
15	Property Taxes:			
16	Mining	454,711	192,707	(a) 192,707
17	Blending Facility	26,700	13,927	(b) 13,927
18	Processing	77,049	32,653	(c) 32,653
19	Investment for BHP/CLFP Sale	1,540	1,540	1,540
20				
21	Total Operating Expenses (before Taxes)	57,447,483	24,786,169	24,786,169
22				
23	Federal Income Tax (from Part IV)	1,517,389	765,468	(d) 765,501
24	Total Operating Expenses	58,964,872	25,551,637	25,551,670
25	Net Mining Income	5,848,580	2,950,397	2,950,521
26	Other non-mining income (net)	1,484,156		
27	Less: Interest on Long-term Debt*	-		
28	Net Income	\$ 7,332,736		
29				
30	Utility Type Investment Base Applicable to Sales to BHP/CLFP (from Part I)		32,783,567	32,783,567
31				
32	Utility Type Rate of Return Related to Sales to BHP/CLFP		9.00%	9.00%
33				
34	Note: An "*" designates the column 1 amount comes from the Input page.			
35				
36	(a) Percent Applicable to Mining (Part III, Line 6)			42.38%
37	(b) Percent Applicable to Blending Facility (Part III, Line 9)			52.16%
38	(c) Percent Applicable to Processing (Part III, Line 11)			42.38%
39	(d) Amount Applicable to BHP/CLFP (Part IV, Line 11)		765,468	
40	(e) Coal taxes calculated based on applicable sales to those subsidiaries			

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Statement R - Part III
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power and Cheyenne Light Fuel & Power
for the 12 Months ended December 31, 2014

Line No.		TONS SOLD
1	Total Coal Sold	4,207,726
2	Total Coal Sold - Wyodak Plant	<u>1,943,896</u>
3	Total Coal Sold - All Except Wyodak	2,263,830
4	Total Tons Sold - BHP Wyodak	388,779
5	Total Coal Sold - BHP Other/Wygen II/Wygen III	1,394,604
6	Percent Applicable to Mining ((Line 4+Line 5)/Line 1)	42.38%
7	Total Coal Sold by Blending Facility (BHP Other less NSII, Trucks, Wygen II & Wygen III)	947,673
8	Other Coal Sold by Blending Facility	869,226
9	Percent Applicable to Processing Blending Facility (Line 7/(Line 7+Line 8))	52.16%
10	Total Coal Sold - Train Load Out	-
11	Percent Applicable to Processing (Line 4+Line 5)/(Line 1-Line 10)	42.38%

Statement R - Part IV
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power
for the 12 Months ended December 31, 2014

Statement R
Page 4 of 6

Line No.	Description	Amount
1	Total Federal Income Tax Applicable to Mining Income	\$ 1,517,389
2	Income before Federal Income Tax:	
3	Net Income	5,848,576
4	Plus Federal Income Tax	<u>1,517,389</u>
5	Mining Income Before Federal Income Tax	7,365,965
<hr/>		
6	Unadjusted Receipts from Coal Sales (from Part II)	28,502,034
7	Total Operating Expenses (from Part II)	<u>24,786,169</u>
8	Income before Federal Income Tax Applicable to BHP/CLFP	3,715,865
9	Federal Income Tax Rate (Line 4/Line 5)	<u>20.60%</u>
10	Federal Income Tax	<u><u>\$ 765,468</u></u>

Statement R - Part V
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power
for the 12 Months ended December 31, 2014

Line No.	Amount	Percent of Total	Cost	Weighted Cost
1	-	0%	0%	0%
2	136,157,590	100%	9.00%	9.00%
3	<u>\$ 136,157,590</u>	<u>100%</u>		<u>9.00%</u>
4				
5				
6		5.00%		
7		<u>4.00%</u>		
8		9.00%		
9				
10		9.00%		
11		<u>0.00%</u>		
12		9.00%		

Statement R - Part VI
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power
for the 12 Months ended December 31, 2014

Line No.	Amount
1	\$ 15.98
2	\$ 28,502,034
3	<u>\$ 28,502,191</u>
4	(157)
5	1
6	1
7	100%
8	<u><u>\$ (157)</u></u>