

WYODAK RESOURCES DEVELOPMENT CORPORATION
 COMPUTATION OF UTILITY TYPE INVESTMENT BASE
 FOR TOTAL SALES TO BHP
 For the Test Year Ended December 31, 2005

STATEMENT R
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| LINE NO | (1) TOTAL COMPANY | (2) APPLICABLE TO SALES TO BHP | |
|---|-------------------------|--------------------------------------|-----|
| 1 GROSS MINING PLANT | \$51,374,252 | | |
| 2 ACCUMULATED PROVISION FOR DEPRECIATION, DEPLETION AND AMORTIZATION - MINING PLANT | 25,435,421 | | |
| 3 NET MINING PLANT (LINE 1 LESS 2) | 25,938,831 | 7,597,484 | (1) |
| 4 TRUCK LOADOUT | 5,713,503 | | |
| 5 ACCUMULATED PROVISION FOR DEPRECIATION | 4,959,893 | | |
| 6 NET TRUCK LOADOUT (LINE 4 LESS 5) | 753,610 | 597,839 | (2) |
| 7 PROCESSING PLANT | 12,892,967 | | |
| 8 ACCUMULATED PROVISION FOR DEPRECIATION | 4,582,828 | | |
| 9 NET PROCESSING PLANT (LINE 7 LESS 8) | 8,310,139 | 3,132,091 | (3) |
| 10 MINING INVESTMENT FOR BHP SALES | 425,000 | | |
| 11 ACCUMULATED PROVISION FOR DEPRECIATION | 425,000 | | |
| 12 NET INVESTMENT FOR SALES TO BHP (LINE 10 LESS 11) | 0 | 0 | |
| 13 NET MINING AND PROCESSING PLANT (LINE 3 PLUS 6 PLUS 9 PLUS 12) | 35,002,580 | 11,327,414 | |
| 14 UNAMORTIZED STRIPPING COSTS | 3,124,139 | 915,060 | (1) |
| 15 MATERIALS, SUPPLIES & PREPAYMENT | 2,330,749 | 682,676 | (1) |
| 16 TOTAL UTILITY TYPE INVESTMENT BASE (LINE 13 PLUS 14 PLUS 15) | \$40,457,468 | \$12,925,150 | |
| (1) PERCENT APPLICABLE TO MINING (PAGE 3, LINE 10) = | | 29.29% | |
| (2) PERCENT APPLICABLE TO TRUCK LOADOUT (PAGE 3, LINE 12) = | | 79.33% | |
| (3) PERCENT APPLICABLE TO PROCESSING (PAGE 3, LINE 14) = | | 37.69% | |

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| LINE NO | (1) TOTAL COMPANY | (2) APPLICABLE TO SALES TO BHP | (3) ADJUSTED |
|---|-------------------------|--------------------------------------|-----------------|
| 1 RECEIPTS FROM COAL SALES | \$34,158,639 | \$10,056,153 | \$10,056,153 |
| 2 OPERATING EXPENSES: | | | |
| 3 MINING EXPENSES | 8,980,152 | 2,630,287 (1) | 2,630,287 |
| 4 ROYALTIES | 4,285,886 | 1,384,719 (1) | 1,384,719 |
| 5 PRODUCTION TAX | 1,206,018 | 416,266 (1) | 416,266 |
| 6 SEVERANCE TAX | 1,429,279 | 485,643 (1) | 485,643 |
| 7 BLACK LUNG TAX | 1,443,516 | 466,878 (1) | 466,878 |
| 8 TRUCK LOADOUT EXPENSES | 633,932 | 502,898 (2) | 502,898 |
| 9 PROCESSING EXPENSES | 2,174,306 | 819,496 (3) | 819,496 |
| 10 DEPREC AND DEPL OF MINING PLANT | 2,125,206 | 622,473 (1) | 622,473 |
| 11 DEPRECIATION-TRUCK LOADOUT | 99,829 | 79,194 (2) | 79,194 |
| 12 DEPRECIATION-PROCESSING PLANT | 749,409 | 282,452 (3) | 282,452 |
| 13 DEPR-INVESTMENT FOR BHP SALE | 0 | 0 | 0 |
| 14 FEDERAL INCOME TAX (PAGE 4, LINE 4) | 2,212,705 | 455,102 (4) | 453,752 |
| 15 FED RECL, FICA, AND UNEMPLYMNT | 1,934,563 | 566,634 (1) | 566,634 |
| 16 PROPERTY TAXES | | | |
| MINING | 201,538 | 59,030 (1) | 59,030 |
| TRUCK LOADOUT | 31,063 | 24,642 (2) | 24,642 |
| PROCESSING | 70,095 | 26,419 (3) | 26,419 |
| INVESTMENT FOR BHP SALE | 2,311 | 2,311 | 2,311 |
| 17 TOTAL OPERATING EXPENSES | 27,579,807 | 8,824,444 | 8,823,094 |
| 18 NET MINING INCOME | 6,578,832 | 1,231,709 | 1,233,059 |
| 19 OTHER NON-MINING INCOME (NET) | 1,237,900 | | |
| 20 LESS: INTEREST ON LONG-TERM DEBT | 0 | | |
| 21 NET INCOME | 7,816,732 | | |
| 22 UTILITY TYPE INVESTMENT BASE APPLICABLE TO SALES TO BHP | | 12,925,150 | 12,925,150 |
| 23 UTILITY TYPE RATE OF RETURN RELATED TO SALES TO BHP | | 9.53% | 9.54% |
| (1) PERCENT APPLICABLE TO MINING (PAGE 3, LINE 10) = | | | 29.29% |
| (2) PERCENT APPLICABLE TO TRUCK LOADOUT (PAGE 3, LINE 12) = | | | 79.33% |
| (3) PERCENT APPLICABLE TO PROCESSING (PAGE 3, LINE 14) = | | | 37.69% |

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| LINE NO ----- | TONS SOLD ----- |
|--|--------------------|
| 1 TOTAL COAL SOLD | 4,701,625 |
| 2 TOTAL COAL SOLD - TRAIN LOAD OUT | 1,048,288 |
| 3 TOTAL COAL SOLD - WYODAK PLANT | 1,938,153 |
| 4 TOTAL COAL SOLD - ALL EXCEPT WYODAK | 2,763,472 |
| 5 TOTAL TONS SOLD - BHP WYODAK | 386,328 |
| 6 TOTAL COAL SOLD - BHP OTHER PLANTS | 990,743 |
| 7 TOTAL COAL SOLD - BHP BY TRUCK LOADOUT | 506,831 |
| 8 OTHER COAL SOLD BY TRUCK LOADOUT | 132,044 |
| 9 PERCENT APPLICABLE TO MINING | |
| 10 $(\text{LINE 6} + \text{LINE 6}) / \text{LINE 1}$ | 29.29% |
| 11 PERCENT APPLICABLE TO PROCESSING TRUCK LOADOUT | |
| 12 $\text{LINE 7} / (\text{LINE 7} + \text{LINE 8})$ | 79.33% |
| 13 PERCENT APPLICABLE TO PROCESSING | |
| 14 $(\text{LINE 5} + \text{LINE 6}) / (\text{LINE 1} - \text{LINE 2})$ | 37.69% |

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| LINE NO | | |
|------------|----------------------------------|-----------|
| 1 | TOTAL FIT APPL. TO MINING INCOME | 2,212,705 |
| 2 | INCOME BEFORE FIT: | |
| 3 | NET INCOME | 5,988,573 |
| 4 | PLUS FIT | 2,212,705 |
| 5 | | 8,201,278 |
| 6 | FIT APPLICABLE TO MINING INCOME | 2,212,705 |
| 7 | MINING INCOME BEFORE FIT | 8,201,278 |
| 8 | = | 26.98% |
| 9 | INCOME BEFORE FIT APPL. TO BHP | 1,686,811 |
| 10 | X LINE 8 | 26.98% |
| 11 | | 455,102 |

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| LINE NO | AMOUNT | PERCENT OF TOTAL | COST | WEIGHTED COST |
|-----------------------------|-------------|---------------------|-------|------------------|
| 1 LONG TERM DEBT | 0 | 0.00% | 0.00% | 0.00% |
| 2 COMMON EQUITY | 267,642,518 | 100.00% | 9.53% | 9.53% |
| 3 TOTAL CAPITALIZATION | 267,642,518 | 100.00% | | 9.53% |
| 4 RETURN ON EQUITY - | | | | |
| 5 UTILITY A RATED BONDS - | | | 5.54% | |
| 6 PLUS 400 BASIS POINTS - | | | 4.00% | |
| 7 ROE | | | 9.54% | |
| 8 WEIGHTED COST OF EQUITY | 9.54% | | 9.54% | |
| 9 WEIGHTED COST OF DEBT | 0.00% | | 0.00% | |
| 10 WEIGHTED COST OF CAPITAL | | | 9.54% | |

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| LINE NO | | |
|------------|---|--------------|
| 1 | COAL RECEIPTS FROM BHP | \$10,056,153 |
| 2 | COAL RECEIPTS FROM BHP AS ADJUSTED | 10,056,153 |
| 3 | DIFFERENCE IN COAL RECEIPTS - BHP (LINE 1 - LINE 2) | 0 |
| 4 | ANNUAL RETAIL ENERGY SALES IN SOUTH DAKOTA - MWh (WP - 1) | 1,417,614 |
| 5 | ANNUAL TOTAL ENERGY SALES - MWh (WP - 1) | 2,202,211 |
| 6 | PERCENT APPLICABLE TO SOUTH DAKOTA (LINE 4 / LINE 5) | 64.37% |
| 7 | AFFILIATE COAL ADJUSTMENT (LINE 3 x LINE 6) | 0 |