Exhibit LWL - 1

BUILDING A WORLD OF DIFFERENCE®



BLACK HILLS POWER, INC.

Report on Depreciation Accrual Rates

Electric Utility Property Through December 31, 2008

September 18, 2009





September 18, 2009



Ms. Marne Miller Director - Central Services Black Hills Corporation P.O. Box 1400 625 Ninth Street Rapid City, SD 57709

BLACK & VEATCH Building a world of difference.

Dear Ms. Miller:

We are enclosing our Report on Depreciation Accrual Rates for the electric utility property of Black Hills Power, Inc. (BHP). The findings, conclusions, and recommendations that we present in the report are representative of plant activity through December 31, 2008. In the report, we have provided discussions relative to depreciation accounting, the processes utilized and historical information relied upon, the determination of appropriate depreciation expense rates, as well as a review of the adequacy of current depreciation reserves. The Executive Summary of the report summarizes our major findings and recommendations.

We appreciate the opportunity to be of service in this matter and wish to thank BHP and their staff for their cooperation and assistance provided in the completion of the report.

Very Truly Yours,

BLACK & VEATCH CORPORATION

L. W. Loos

Director, Enterprise Management Solutions

TABLE OF CONTENTS

BLACK HILLS POWER DEPRECIATION STUDY

TABLE OF CONTENTS

1.0 EXECUTIVE SUMMARY	1
2.0 INTRODUCTION	4
2.1 Existing Plant in Service and Depreciation Rates	4
3.0 DEPRECIATION ACCOUNTING	6
3.1 Annual Depreciation Expense	6
3.2 Depreciation Reserve	6
4.0 HISTORICAL INFORMATION	8
4.1 Black Hills Power Data	9
4.1.1 Mass Property Data	9
4.1.2 Planned Retirements (Unit Property Accounts)	9
5.0 UNIT PROPERTY ANALYSIS	10
5.1 Steam Production Plant	11
5.2 Other Production Plant	13
5.3 Wygen III Depreciation Rate	15
6.0 MASS PROPERTY ANALYSIS	17
6.1 Whole Life Analysis for Mass Property	17
6.1.1 Transmission Plant	18
6.1.2 Distribution Plant	18
6.1.3 General Plant	19
6.2 Depreciation Reserve Analysis	19
7.0 RECOMMENDED DEPRECIATION RATES	.23
7.1 Unit Property Depreciation Rates	.23
7.2 Mass Property Depreciation Rates	.23
7.3 Summary	.23

LIST OF TABLES

Table 1-1 Plant in Service and Accumulated Reserve	1
Table 1-2 Recommended Changes in Depreciation Rates and Expense	2
Table 1-3 Recommended Depreciation Rates	3
Table 2-1 Depreciable Plant in Service, Depreciation Reserve, and Existing Rates	5
Table 5-1 Unit Property Analysis	11
Table 5-2 Steam Production Plant Data	12
Table 5-3 Other Production Plant Data	14
Table 5-4 Wygen III Depreciation Rate	16
Table 6-1 Summary of Mass Property Analysis	21
Table 6-2 Calculation of Remaining Life Rates	22
Table 7-1 Recommended Depreciation Rates	24

APPENDIX

|--|

DISCLAIMER

BLACK HILLS POWER DEPRECIATION STUDY

Subject to the limitations set forth herein, this report was prepared for BHP by Black & Veatch Corporation ("B&V") and is based on information not within the control of B&V. B&V has not been requested to make an independent analysis, to verify the information provided to us, or to render an independent judgment of the validity of the information provided by others. As such, B&V cannot, and does not, guarantee the accuracy thereof to the extent that such information, data, or opinions are based on information provided by others.

EXECUTIVE SUMMARY

BLACK HILLS POWER DEPRECIATION STUDY

1.0 EXECUTIVE SUMMARY

This report describes the analyses conducted and the results obtained for the depreciation expense rates and accumulated provision for depreciation of the electric utility property of Black Hills Power, Inc. (BHP). This report is based on plant activity through December 31, 2008, with recognition given to known or planned changes since that date. We consider the rates developed and recommended herein to be reasonable and appropriate for prospective use. We recommend, however, that depreciation rates be reviewed at a minimum of once every five years. We previously analyzed the depreciation rates of the company in 2006. Current BHP depreciation rates are based on the remaining life rates we recommended in that 2006 report.

Plant in service and accumulated depreciation as of December 31, 2008 for the classes of plant are summarized below:

	As of December 31, 2008				
	[A]	[B]	[C]		
Line		Plant in	Accumulated		
No.	Description	Service	Reserve		
		\$	\$		
1	Production Plant	333,751,374	168,424,399		
2	Transmission Plant	70,469,637	25,333,132		
3	Distribution Plant	249,651,598	81,960,628		
4	General Plant	40,949,064	19,013,751		
5	Total Plant in Service at 12/31/08	694,821,673	294,731,910		
6	Pro Forma Adjustment to Plant in Service				
7	Wygen III ⁽¹⁾	128,440,000	-		
8	Pro Forma Plant in Service	823,261,673	294,731,910		

Table 1-1

Notes:

(1) BHP's 52% share of Wygen III will be in service in 2010.

We base our recommended depreciation accrual rates on application of the remaining life depreciation method. This method is premised on recovery of plant investment in generally equal amounts over the remaining service life of plant facilities. This method recognizes changes that have occurred or are occurring, with respect to changes in investment level and life characteristics of individual property units.

For unit property, specifically production plant, we develop remaining life depreciation expense rates based on the prospective life span (retirement date) of each generating unit. The prospective retirement dates we use in this report were provided by BHP. Consistent with the remaining life concept and the prospective retirement date used, we include allowance for interim additions and retirements of individual pieces of property, as well as an adjustment for net salvage (gross salvage less cost of removal). The remaining life rates and the resulting change in depreciation expense for unit property accounts are shown in Table 5-1 and summarized in Table 1-2.

For mass property, specifically transmission, distribution, and general plant, the basis for our recommended accrual rates begins with the development of appropriate average service lives (ASL) and Iowa curves for each plant account using the actuarial analysis method. After developing our recommended ASL and Iowa

1

EXECUTIVE SUMMARY

BLACK HILLS POWER DEPRECIATION STUDY

curve, we adjust for net salvage to develop a whole life depreciation rate. As a final step, we consider depreciation reserve deficiency or excess and adjust the whole life rates to remaining life rates. Recommended depreciation rates for unit and mass property are summarized by function in Table 1-2 below and presented in detail in Table 1-3 at the end of this Executive Summary.

	Table	I-2		
	Recommended Changes in Depr	eciation Rates	and Expense	
	[A]	[B]	[C]	[D]
Line No.	Description	Current Composite Accrual Rate	Composite Recommended Accrual Rate	Change in Depreciation Expense
			. 1994 - and 1996 - and	••••••••••••••••••••••••••••••••••••••
1	Production Plant	2.84%	2.66%	(608,995)
2	Transmission Plant	2.40%	2.12%	(185,801)
3	Distribution Plant	3.04%	2.72%	(786,829)
4	General Plant	6.53%	4.61%	(774,197)
5	Total Plant in Service at 12/31/08	3.11%	2.76%	(2,355,821)
6	Pro Forma Adjustments			
7	Wygen III		2.72%	3,493,568
8	Total Change Including Pro Forma Balances		2.75%	1,137,747

As indicated in the above table, application of the recommended remaining life depreciation rates results in a \$2.36 million decrease in annual depreciation expense when applied to total depreciable assets as of December 31, 2008. When applied to pro forma balances including the addition of the Wygen III generating station, total depreciation expense increases by about \$1.14 million. The overall decrease in depreciation expense is primarily attributable to the following factors:

- 1. Other Production Plant (combustion turbine based generation) retirement dates have generally been extended by BHP. Application of recommended production plant depreciation rates reduces the depreciation expense by approximately \$609,000.
- 2. There is a general trend of longer service lives for transmission and distribution accounts. This combined with the remaining life adjustment reduces depreciation expense by about \$973,000.
- 3. The results of our analysis of general plant accounts resulted in a mix of longer and shorter services lives. However, the larger accounts (based on plant in service) generally showed a need for longer service lives, which accounts for the overall decrease in depreciation expense of \$774,000.

The scope of this report includes:

- 1. A discussion of the practice of depreciation accounting (Section 3).
- 2. The types of information examined in our analysis and the methods applied (Section 4).
- 3. The results of the analyses conducted pertaining to the production plant (Section 5).
- 4. The results of the mass property analyses conducted of BHP's transmission, distribution, and general plant (Section 6).
- 5. The recommended depreciation rates (Section 7).

EXECUTIVE SUMMARY

BLACK HILLS POWER DEPRECIATION STUDY

		Recommended Depr	eciation Ra	lles	
	[A]	[B]	[C]	[D]	[E]
Line	FERC		Current	Recommended	Change in Depreciation
No.	Acct	Description	Rate	Rate	Expense
		······	0/		<u> </u>
			70	70	Q.
1		Production Plant			
2		Steam Production Plant			
3	310	Land and Land Rights	0.00%	0.00%	-
4	311-316	Osage	1.53%	2.59%	189,540
5	311-316	Ben French	2.21%	3.62%	188,693
6	311-316	Wyodak	2.87%	3.04%	132,710
7	311-316	Neil Simpson I	3.35%	3.49%	26,590
8	311-316	Neil Simpson II	2.54%	2.49%	(58,580)
9		Total Steam Production	2.61%	2.80%	478,953
10		Other Broduction Blant			
10	240	Lond and Lond Dishte	0.009/	0.009/	
11	241 246		0.00%	0.00%	(477 73.5)
12	341-340	Lange CI	3.97%	2.39%	(477,715)
13	341-340	Neil Simpson I C I	3.91%	2.51%	(407,746)
14	341-346	Ben French CT's	2.43%	1.38%	(202,487)
15		Total Other Production	3.57%	2.19%	(1,087,948)
16		Total Production Plant	2.84%	2.66%	(608,995)
17		Transmission Dignt			
17	250	I ransmission riant	0.000/	0.000/	
18	330	Land and Land Rights	0.00%	0.00%	((001)
19	352	Structures and Improvements	2.39%	1.95%	(6,901)
20	353	Station Equipment	2.66%	1.71%	(321,582)
21	354	Towers and Fixtures	2.04%	1.42%	(2,776)
22	355	Poles and Fixtures	2.22%	3.12%	128,194
23	356	Overhead Conductors and Devices	2.04%	2.15%	19,030
24	359	Roads and Trails	1.95%	2.23%	19
25	106	Completed Construction not Classified	2.32%	2.12%	(1,785)
26		Total Transmission Plant	2.40%	2.12%	(185,801)
27		Distribution Plant			
21	260	L and and L and Diabta	0.00%	0.00%	
20	261	Land and Land Rights	0.00%	2 209/	-
29	301	Structures and improvements	3.20%	3.2970	(257 (52)
30	362	Station Equipment	2.83%	2.33%	(237,032)
31	304	Poles, Towers and Fixtures	3.27%	3.07%	(109,884)
32	365	Overhead Conductors and Devices	3.14%	2.27%	(282,703)
33	366	Underground Conduit	2.64%	1.83%	(9,812)
34	367	Underground Conducters and Devices	3.00%	3.40%	142,904
35	368	Line Transformers	3.02%	2,21%	(240,229)
36	369	Services	2.77%	2.73%	(9,146)
37	370	Meters	2.85%	3.27%	33,168
38	371	Installations on Customer Premises	4.14%	3.08%	(17,629)
39	373	Street Lighting and Signal Systems	4.34%	3.61%	(11,069)
40	106	Completed Construction not Classified	3.02%	2.72%	(24,803)
41		Total Distribution Plant	3.04%	2.72%	(786,829)
47		General Plant			
43	380	I and and I and Rights	0.00%	0.00%	
45	300	Structures and Improvements	A 73%	2 52%	(731 334)
44	301	Office Euroiture and Equipment	10 56%	2.22/0	(101.020)
45	201.1	Office Furniture and Equipment	10.5070	4 4004	(101,929)
	201.2	Office Fundure and Equipment		4.4070	-
	391,3	Computer Equipment	0.0/0/	12.07%	-
46	392	Transportation Equipment	9.06%	3.89%	(266,054)
47	393	Stores Equipment	4.23%	5.82%	4,646
48	394	Tools, Shop and Garage Equipment	4.23%	2.54%	(82,015)
49	395	Laboratory Equipment	3.06%	1.52%	(9,350)
50	396	Power Operated Equipment	4.23%	2.72%	(4,783)
51	397	Communication Equipment	4.39%	3.84%	(41,967)
52	398	Miscellaneous Equipment	5.81%	2.75%	(10,574)
53	106	Completed Construction not Classified	6.63%	4.61%	(30,837)
54		Total General Plant	6.53%	4.61%	(774,197)
55		Total Plant in Sarvice @ 17/21/09	2, 1 1 0/	2 760/	(7 255 871)
		I Utal Flam in Service w 12/31/08	3.1170	2.70%	(120,021)
56		Pro Forma Adjustment			
57		Steam Production Plant			
58	311-316	Wygen III	n/a	2.72%	3,493,568
59		Pro Forma Plant in Service	3.11%	2.75%	1,137,747

Table 1-3Recommended Depreciation Rates

INTRODUCTION

BLACK HILLS POWER DEPRECIATION STUDY

2.0 INTRODUCTION

In this report, we present the results of our analysis of the depreciation expense requirements for the electric utility property of Black Hills Power, Inc (BHP). We primarily base our analysis on plant activity through December 31, 2008. Implications of certain known and measurable changes that have occurred or are anticipated to occur subsequent to December 31, 2008 are incorporated in our analyses as appropriate.

Currently, with the exception of the production function, BHP accrues depreciation expense and accumulates reserve by Federal Energy Regulatory Commission (FERC) account. Within the production function, BHP accumulates reserve and calculates depreciation expense for each generating facility. In this report, annual depreciation accrual rates are calculated by individual FERC account and for each generating facility using the whole life method. These whole life rates are subsequently adjusted to remaining life rates.

In Section 3.0, we briefly discuss the practice of depreciation accounting. In Section 4.0, we discuss the type of information examined in our analysis and the methods applied in analyzing the information. The results of the analyses performed are discussed in Sections 5.0 and 6.0. These discussions include a determination of depreciation accrual rates for unit property accounts (Section 5.0), whole life depreciation accrual rates for mass property accounts (Section 6.1), and our analysis of the adequacy of current depreciation reserve amounts and remaining life rates for mass property (Section 6.2).

2.1 Existing Plant in Service and Depreciation Rates

In Table 2-1 we show the plant in service and existing depreciation rates for production, transmission, distribution, and general plant. BHP has approximately \$10.7 million booked to Account 106 – Completed Construction Not Classified. We show these amounts by function in Table 2-1. The investment reported in Account 106 is about 1.5% of the existing plant in service.

For transmission, distribution, and general plant, BHP reports Depreciation Reserve of \$126.3 million as of December 31, 2008 (Table 2-1, Column D).

In Column D of Table 2-1, we show that BHP has accumulated reserve applicable to production plant of \$168.4 million.

To the extent that the depreciation accrual rates recommended in this report are different from the rates currently used, the change results generally from one or more of the following factors:

- Additional information regarding the history of the plant account (retirement history).
- Changes in life characteristics due to changes in equipment and/or manufacturing methods included in the plant.
- Changes in the anticipated retirement date of production plants and estimated cost of retirement (cost of removal/net salvage).

BLACK HILLS POWER DEPRECIATION STUDY

Table 2-1
Depreciable Plant in Service, Depreciation Reserve, and Existing Rates

. . .

	[A]	[B]	[C]	[D]	[E]
				Depreciation	Existing
Line		FERC	Plant in Service	Reserve	Depreciation
No.	Description	Acct	At 12/31/2008	At 12/31/2008	Rate
			\$	\$	%
1	Production Plant				
2	Steam Production Plant				
3	Land and Land Rights	310	333,941	-	0.00%
4	Kirk	311-316	-	239,554	0.00%
5	Osage	311-316	17,918,001	17,357,768	1.53%
0 7	Ben French	311-310	13,300,210	13,030,938	2.21%
/ e	Wyodak Neil Simneen I	311-310	19,030,217	30,072,287	2.8/%
0	Neil Simpson II	311.316	125 534 071	38 724 257	2 54%
10	Total Steam Production	511-510	255,110,915	136,196,664	2.5470
			200,110,010	100,150,000	
11	Uner Production Plant	240	2 705		0.00%
12	Lande CT	340	30 183 503	8 360 716	3 07%
14	Neil Simpson CT	341-346	29 130 532	9 850 982	3 91%
15	Ren French Other Production	341-346	19 323 720	14 007 037	2.43%
16	Total Other Production	511 510	78.640.459	32,227,735	20070
17	Total Production Plant		333,751,374	168.424.399	
10	Transmission Blant		000,102,011	200,120,000	
10	I and and I and Rights	350	2 159 768	_	0.00%
20	Structures and Improvements	350	1 568 466	535 697	2 30%
20	Station Equipment	352	33 850 757	12 876 640	2.55%
21	Towers and Fixtures	354	447.677	167.538	2.04%
23	Poles and Fixtures	355	14.243.734	5.280.479	2.22%
2.4	Overhead Conductors and Devices	356	17.300.024	6.398.076	2.04%
25	Roads and Trails	359	6.920	2,570	1.95%
26	Completed Construction not Classified	106	892,291	72,132	2.32%
27	Total Transmission Plant		70,469,637	25,333,132	
28	Distribution Plant				
29	Land and Land Rights	360	1,624,794	(21,552)	0.00%
30	Structures and Improvements	361	254,825	115,258	3.28%
31	Station Equipment	362	51,530,410	19,833,698	2.85%
32	Poles, Towers and Fixtures	364	54,941,936	18,370,367	3.27%
33	Overhead Conductors and Devices	365	32,494,569	12,187,100	3.14%
34	Underground Conduit	366	1,211,297	346,988	2.64%
35	Underground Conducters and Devices	367	35,726,003	10,339,823	3.00%
36	Line Transformers	368	29,657,925	10,400,878	3.02%
37	Services	369	22,865,627	7,357,128	2.77%
38	Meters	370	7,897,105	1,259,837	2.85%
39	Installations on Customer Premises	371	1,663,075	626,129	4.14%
40	Street Lighting and Signal Systems	575	1,516,328	611,4/1	4.34%
41	Completed Construction not Classified	100	8,207,701	91 060 629	5.02%
42	Total Distribution Plant		249,001,090	81,900,028	
43	General Plant	200	602.000		0.000/
44	Land and Land Rights	389	10 467 603	5 500 201	0.00%
45	Office Eugentures and Equipments	390	0 161 820	5,596,564	4.73%
40	Transportation Equipment	202	5 146 117	0,000,041	0.00%
47	Stores Equipment	202	2,140,117 202 210	2,771,204	2.00% 1 72%
40	Tools Shon and Garage Equipment	394	4 852 946	2 429 345	4 73%
50	I aboratory Equipment	395	607.146	2,429,545	3 06%
51	Power Operated Equipment	396	316.735	131.158	4.23%
52	Communication Equipment	397	7.630.343	895.944	4.39%
53	Miscellaneous Equipment	398	345.552	179,498	5.81%
54	Completed Construction not Classified	106	1,526,583	484.814	6.63%
55	Total General Plant		40,949,064	19,013,751	· · · · · · ·
56	Total Plant in Service		694.821.673	294.731.910	

BLACK HILLS POWER DEPRECIATION STUDY

3.0 DEPRECIATION ACCOUNTING

The FERC Uniform System of Accounts defines depreciation as:

"The loss in service value¹ not restored by current maintenance, incurred in connection with the consumption or prospective retirement of electric plant in the course of service from causes that are known to be in current operation and against which the system is not protected by insurance. Among the causes considered are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of public authorities."

Depreciation accounting provides a method whereby charges for the loss in service value are made against current income derived from operating the system. By properly charging depreciation, the total cost of utility property is appropriately distributed over the useful life in such a way as to equitably allocate cost to the period during which service is provided through the use and consumption of such property. For the purpose of this report, we use the term "total cost" to mean the original investment cost (gross plant), less salvage value (if any), plus cost of removal (if any).

3.1 Annual Depreciation Expense

Annual depreciation expense represents the annual charge against income associated with the loss of service value of utility property. Historically, utilities have relied on a number of methods to identify the appropriate level of depreciation expense. Some of these methods include:

- A direct apportionment by management;
- A percentage of revenues;
- An amount equal to the original cost investment retired during the year;
- A charge per unit of delivery (kWh, kW, etc.); and
- A percentage of the investment in depreciable property.

Prior to 1965, BHP employed the percentage of revenue method for determining the annual depreciation expense. The expense was calculated by applying a fixed percentage to revenues from sales, less maintenance expenses. The annual percentage varied from 15 to 17-1/2 percent during the years 1941 to 1964. After 1964, BHP began charging depreciation by applying a percentage to depreciable property. This rate yields an annual depreciation expense that is intended to amortize the total cost (original investment, plus cost of removal, less salvage) over the life (or remaining life) of the property in generally equal amounts.

3.2 Depreciation Reserve

Depreciation reserve is a balance sheet item that reflects the accumulation of annual depreciation activities and associated retirement accounting. Under the FERC System of Accounts, depreciation reserve is shown on the balance sheet as "Accumulated Provision for Depreciation."

The depreciation expense charged against income is credited to (accumulated in) depreciation reserve. For utility properties, FERC provides that upon retirement of an asset, the utility reduces (debits) depreciation reserve by the original cost of the asset retired, increases (credits) reserve by any benefits derived from the sale of assets removed (salvage), and reduces (debits) reserve by the costs attributable to removal. As such, the use of appropriate depreciation rates corresponding to the service life of utility properties will result in accruals to the depreciation reserve which equal the total investment ultimately retired, as adjusted for salvage and cost of removal.

¹ For the purposes of this report, we use the term "loss in service value" in the accounting sense where value represents the original cost of facilities.

DEPRECIATION ACCOUNTING

BLACK HILLS POWER DEPRECIATION STUDY

For the purpose of this report, we have included consideration of net salvage (gross salvage less cost of removal) where appropriate. More specifically, for the depreciation rates recommended for unit and mass property accounts, we have provided allowance for net salvage based on industry trends and our experience with similar property. For the mass property accounts, we have also used as a reference, the historical salvage, cost of removal and retirement experience of BHP.

HISTORICAL INFORMATION

BLACK HILLS POWER DEPRECIATION STUDY

4.0 HISTORICAL INFORMATION

Depreciation expense rates are intended to recover the net investment (total cost) in utility property over its useful life. In this regard, depreciation rates typically consist of three components. These components, which are further defined below, include: (i) service life of the property; (ii) total cost to be recovered; and (iii) reserve deficiency.

Normally, the determination of average service life is largely dependent on analyses of detailed utility records. Such records generally provide information regarding additions and retirements by transaction year (year added or retired) and vintage (year originally installed) for each account. We adjust average service life based on historical experience to reflect expectations over the remaining service life based on our experience, judgment, and those conditions anticipated to occur.

We develop average service lives by account. We first separate accounts into two groups: mass property and unit property. Mass property represents relatively homogeneous property units that tend to be retired individually. Meters, conduit, conductor, services, and line transformers are examples of mass property. Conversely, unit property represents a more heterogeneous property group, which by the nature of their interconnected or integrated operations, tends (in large part) to be retired simultaneously, as a group. We normally consider power generation facilities for electric utilities as unit property. Generally, utilities maintain detailed unit property data by physical location. Utilities typically maintain mass property data on an aggregate level. For unit property accounts, we typically define service life based on planned retirement dates.²

For unit property, we normally develop a history of investment activity by account for each location or site. This life history reflects gross additions, retirements, surviving property, and account balances. Based on the estimated life (planned retirement date) for each unit property (generating station), we typically forecast plant investment activity (interim additions, retirements, and account balances) at the account level for each year that units within such an account are forecast to remain in service. We then calculate a remaining life, straight line depreciation accrual rate by dividing the unrecovered gross investment by the sum of the annual depreciable plant balances over the remaining life of the unit property. Unrecovered investment represents gross additions over the entire life of the unit less the depreciation reserve balance. Gross additions include both historical and forecast additions to unit properties throughout the entire lifespan of such properties. We also include allowance for cost of removal and salvage in gross investment.

For mass property, we initially define service lives and Iowa curves by account based on actuarial analysis (retirement or survivor curve analysis) or semi-actuarial analysis (simulated plant balance). These analyses rely on historical plant activity (retirements). Specifically, using a least squares technique, actual survivor stub curves representing the percent of original placements surviving at various ages are developed. We compare these stub curves to general survivor curves to identify the average service life which best fits historical experience. By comparing the results produced with results using other curve shapes, we determine the curve shape and average service life which best predicts historical experience. We use the average service life we developed as a principal determinant of the reasonable average service life applicable to each account. In addition to our analysis of historical experience, we consider our experience in the industry, practices of other utilities, and basic information regarding expected life characteristics of the property. Results derived from the application of these methodologies are then evaluated in connection with other available information such as: (i) past, present and anticipated economic conditions; (ii) recent industry trends; and (iii) engineering experience and judgment.

We further discuss these techniques, including a summary of the information required and the information provided by BHP in the following.

² BHP provided estimated retirement dates for each production unit.

HISTORICAL INFORMATION

BLACK HILLS POWER DEPRECIATION STUDY

4.1 Black Hills Power Data

The property records of BHP are kept in accordance with the Uniform System of Accounts as prescribed by the FERC. We rely on these records as the basis for the information used for our analysis. The investment in unit property accounts (steam production and other power production plant) is maintained within PowerPlant, a comprehensive Project – Asset software system. PowerPlant's Asset System contains a fully functional CPR (Continuing Property Record) ledger.

4.1.1 Mass Property Data

The investment in mass property accounts (transmission, distribution and general plant) is maintained within PowerPlant. PowerPlant's Asset System contains a fully functional CPR (Continuing Property Record) ledger. BHP's Continuing Property Record (CPR) provides additions and retirement data in detail by vintage since 1950. Thus, we are able to perform actuarial studies as a basis to determine the experienced mortality characteristics for each FERC account.

Salvage history since 1970 is reported by function. Removal costs are charged to construction work orders and allocated to major functional plant groups on the basis of investment retired. Salvage and Cost of Removal (COR) data by account for the transaction years 1997 through 2008 were used to develop reasonable gross salvage, COR and net salvage allowances for the mass property accounts.

4.1.2 Planned Retirements (Unit Property Accounts)

For BHP's unit property, BHP provided the data needed to develop an investment history. A life history of gross additions, retirements, surviving property, and account balances by year since 1989 was provided for the analysis. Based on the estimated retirement date that BHP provided for the various units, we forecast plant investment activity (interim additions, retirements, and plant balances) for each year that we expect the property to remain in service. In the event that other reasonably anticipated planned additions and retirements are required in order for the property to reach the retirement date, we consider implications of such additions and retirements as well.

Based on the data described above, we calculate remaining life, straight line depreciation accrual rates by dividing the investment to be recovered (original investment, plus interim additions, plus cost of removal, less gross salvage less depreciation reserve) by the sum of the forecast annual depreciable balances over the remaining life of the unit property accounts. Forecast annual depreciable balances are based on the existing plant balances reported at December 31, 2008 plus forecast additions and retirements as adjusted for net salvage. Our recommended depreciation rates for unit property accounts are discussed in Section 5.0.

To accurately determine the composite depreciation accrual rate for the generating units, it is important to understand the retirement date and investment in each generating unit. BHP maintains historical data that includes additions, retirements, transfers, and net salvage by FERC account. This data provides sufficient information to evaluate interim additions, retirements, and salvage on an aggregate level for the steam and other production accounts for the period ending December 31, 2008. We supplement this information with BHP's Continuing Property Record data as a means to identify additions and retirements specific to generating units to determine approximate investment by generating unit.

BLACK HILLS POWER DEPRECIATION STUDY

5.0 UNIT PROPERTY ANALYSIS

Table 5-1 summarizes the recommended remaining life depreciation rates for BHP's generating stations. We also show plant investment as of December 31, 2008, existing depreciation accrual rates, and the resulting change in annual depreciation expense by generating unit. The whole life accrual rate is defined as the rate which, when applied to the annual depreciable balances, will result in recovery of the original cost of gross additions over the entire life of the property. Adjustments to the whole life rates are made to reflect estimated salvage value and cost of removal. With the remaining life method, undepreciated investment plus forecast additions, cost of removal and salvage is recovered over the remaining life (of depreciable plant balances) of the property.

The annual accrual rates we develop will, if applied annually to unit property account balances over the remaining life of the various properties, recover BHP's investment, including consideration of the impact of net salvage. The principal forecasts, for which assumptions are made, that we rely on in the analyses include:

- The retirement date (life span) of the individual facilities.
- The level of interim additions and retirements.
- The level of major plant additions, upgrades, and improvements required for the individual units to reach the planned retirement date.
- The net salvage values associated with interim and final retirements.

We analyzed the investment history by account for steam production and other production plant through December 31, 2008. The life history reflects gross additions, retirements, surviving property and account balances. Based on the planned retirement date, we forecast plant investment activity (interim additions, retirements, and balances) for each year that we forecast the generating plant will remain in service. BHP provided us the data regarding the life span of unit property.

We calculate a remaining life, straight line depreciation accrual rate by dividing the gross investment (plant investment as of December 31, 2008 plus forecast interim additions less net salvage and accumulated depreciation) by the sum of the annual depreciable plant balances over the remaining life of the unit. Annual depreciable balances are based on plant balances as of December 31, 2008 plus forecast additions and retirements. Our recommended remaining life depreciation rate calculations are shown in the Appendix and are summarized in Table 5-1. For the total existing production plant, the composite proposed remaining life rate is 2.66 percent and the change in annual depreciation expense based on depreciable plant in service as of December 31, 2008 (as adjusted for known and measurable changes) is a decrease of about \$609,000 as shown in Table 5-1.

BLACK HILLS POWER DEPRECIATION STUDY

Table 5-1Unit Property Analysis

	[A]	[B]	[C]	[D]	[E]	[F]	[G]
Line No.	FERC Acct	Description	Plant Investment As of 12/31/2008	Current Remaining Life Accrual Rate	Indicated Whole Life Accrual Rate	Recommended Remaining Life Accrual Rate	Change in Depreciation Expense
			\$	%	%	%	\$
1		Production Plant					([F] - [D]) * [C]
2		Steam Production Plant					
3	310	Land and Land Rights	333,941	0.00%		0.00%	-
4	311-316	Osage	17,918,001	1.53%	2.69%	2.59%	189,540
5	311-316	Ben French	13,360,210	2.21%	3.49%	3.62%	188,693
6	311-316	Wyodak	79,050,217	2.87%	3.35%	3.04%	132,710
7	311-316	Neil Simpson I	18,913,575	3.35%	3.55%	3.49%	26,590
8	311-316	Neil Simpson II	125,534,971	2.54%	2.79%	2.49%	(58,580)
9		Total Steam Production	255,110,915	2.61%	3.05%	2.80%	478,953
10		Other Production Plant					
11	340	Land and Land Rights	2,705	0.00%		0.00%	-
12	341-346	Lange CT	30,183,503	3.97%	2.06%	2.39%	(477,715)
13	341-346	Neil Simpson I CT	29,130,532	3.91%	2.71%	2.51%	(407,746)
14	341-346	Ben French CT's	19,323,720	2.43%	1.84%	1.38%	(202,487)
15		Total Other Production	78,640,459	3.57%	2.25%	2.19%	(1,087,948)
16		Total Production Plant	333,751,374	2.84%	2.87%	2.66%	(608,995)
17		Pro Forma Adjustment					
18		Wygen III (in Service 2010)	128,440,000	n/a		2.72%	3,493,568
19		Pro Forma Production Plant	462,191,374	2.84%		2.68%	2,884,573

5.1 Steam Production Plant

The steam electric generating stations owned by BHP as of December 31, 2008 include one unit at Ben French Station, two units at the Neil Simpson Station, three units at the Osage Plant and a 20 percent share of the 335 MW (net plant capacity) Wyodak Unit 1. Wygen III is currently under construction and is scheduled to be placed in service in 2010. BHP owns a 52 percent share of the 110 MW coal plant.

Table 5-2 summarizes the nameplate rating, year of installation, and forecast retirement date for each unit as provided by BHP.

September 2009

BLACK HILLS POWER DEPRECIATION STUDY



Steam Production Plant Data					
	[A]	[B]	[C]	1.4 [D]	[E]
Line	Steam Production	Nameplate	Date	Estimated	Estimated
No.	Plant	Rating	Installed	Retirement	Service Life
		kW			years
1	Ben French Steam	25,000	1960	2023	63
2	Osage #1 Steam	11,500	1948	2013	65
3	Osage #2 Steam	11,500	1950	2013	63
4	Osage #3 Steam	11,500	1952	2013	61
5	Neil Simpson #1 Steam	21,760	1969	2023	-54
6	Neil Simpson #2 Steam	91,000	1995	2045	50
7	Wyodak #1 Steam (1)	72,400	1978	2030	52
8	Wygen III Steam (2)	57,200	2010	2055	45

Table 5-2

(1) BHP's 20 percent share.

(2) BHP's 52 percent share.

Ben French Station. This station located in Rapid City has one steam generating unit with a maximum net capability of 21,600 kW. The age of this station at the end of 2008 was 48 years and the remaining life is estimated to be 15 years based on the forecast retirement of the unit in 2023. The Ben French station will have major capital additions of \$1.9 million in 2011 and \$2.1 million in 2016. Other than these major capital additions, nominal levels of interim additions and interim retirements are expected to be made over the remaining life of the station. The Appendix summarizes the derivation of whole life rates and remaining life rates (with and without cost of removal) applicable to the Ben French Station. A whole life accrual rate of 3.49 percent and a remaining life accrual rate of 3.62 percent (with cost of removal) are shown in Table 5-1. The accumulated depreciation reserve for the Ben French Plant is \$13,050,958 compared to the plant balance of \$13,360,210 as of December 31, 2008.

Neil Simpson Station. This generating station is located at the Wyodak coal mine site at Wyodak, Wyoming. This mine was acquired by BHP in 1954 from the Wyodak Coal Company, a subsidiary of the Homestake Mining Company.

Neil Simpson Unit 1 was placed in service in 1969 and has a nameplate rating of 21,760 kW. This unit features an air-cooled condenser which permits plant operation with a minimum amount of water. The age of Neil Simpson Unit 1 at the end of 2008 was 39 years and the remaining life is estimated to be 15 years based on the forecast retirement of the unit in 2023. The Neil Simpson Unit 1 will have major capital additions of \$2.1 million in 2009 and \$2.6 million in 2017. Other than these major capital additions, nominal levels of interim additions and interim retirements are expected to be made over the remaining life of the station. Based on the unit property methodology, the whole life accrual rate for Neil Simpson Unit 1 is 3.55 percent and the remaining life rate (with cost of removal) is 3.49 percent as shown in Table 5-1. The accumulated depreciation reserve for the Neil Simpson I is \$16,151,840 compared to the plant balance of \$18,913,575 for the period ending December 31, 2008. The analysis showing the development of these rates is shown in the Appendix.

Neil Simpson Unit 2 was placed in service in 1995 and has a nameplate rating of 91,000 kW. The age of Neil Simpson Unit 2 at the end of 2008 was 13 years and the remaining life is estimated to be 37 years based on

BLACK HILLS POWER DEPRECIATION STUDY

the forecast retirement of the unit in 2045. There will be major capital additions of \$1.6 million in 2012, with recurring capital costs every seven years escalated at a 2.5 percent annual inflation rate through 2040. Other than these major capital additions, nominal levels of interim additions and interim retirements are expected to be made over the remaining life of the station. Based on the unit property methodology, the whole life accrual rate for Neil Simpson Unit 2 is 2.79 percent and the remaining life rate (with cost of removal) is 2.49 percent as shown in Table 5-1. The accumulated depreciation reserve for the plant is \$38,724,257 compared to the plant balance of \$125,534,971 as of December 31, 2008. The analysis showing the development of these rates is shown in the Appendix.

Osage Plant. The Osage Plant units were placed in service between 1948 through 1952. The steam production facilities at this location include two 10,150 kW (net plant capability) generating units originally owned by BHP and one 10,150 kW generating unit acquired from Rushmore REA Co-op in early 1992. At the end of 2008, the age of the units ranged from 56 to 60 years and the remaining life of all three is estimated to be 5 years based on the forecast retirement of the plant in 2013.

Based on the unit property methodology, the whole life accrual rate for Osage Plant is 2.69 percent and the remaining life rate (with cost of removal) is 2.59 percent as shown in Table 5-1. The accumulated depreciation reserve is \$17,357,768 compared to the plant balance of \$17,918,001 as of December 31, 2008. The analysis showing the development of these rates is shown in the Appendix.

Wyodak Plant. The Wyodak Plant is located adjacent to the Neil Simpson Station in Wyodak, Wyoming and was placed in service in 1978. From 1978 through 1990, this plant was jointly leased by BHP and Pacific Power & Light Company. At the end of 1990, BHP and Pacific Power acquired the plant from the leaseholders. BHP receives a 20 percent of the plant capacity of 335 MW. At the end of 2008, the age of the facility was 30 years and the remaining life is estimated to be 22 years based on the forecast retirement of the unit in 2030.

The plant will have major capital additions amounting to \$4.8 million in 2011. Also, there will be major capital costs of \$2.5 million in 2016, with recurring capital costs every five years escalated at a 2.5 percent annual inflation rate over the remaining life of the plant. Other than these major capital additions, nominal levels of interim additions and interim retirements are expected to be made over the remaining life of the station. Based on the unit property methodology, the whole life accrual rate for Wyodak Plant is 3.35 percent and the remaining life rate (with cost of removal) is 3.04 percent as shown in Table 5-1. The accumulated depreciation reserve is \$50,672,287 compared to the plant balance of \$79,050,217 as of December 31, 2008. The analysis showing the development of these rates is shown in the Appendix.

Kirk Plant. The Kirk Plant was acquired from Homestake Mining Company in 1954 and retired by Black Hills in October 2000. Since the Kirk Plant has already been retired, it is not included in our analysis. As of December 31, 2008, the retired Kirk plant has zero plant in service, but \$239,554 remaining in depreciation reserve. It is our understanding that the remaining depreciation reserve in the Kirk plant is to cover any residual retirement costs and will be written off if none materialize.

5.2 Other Production Plant

The other electric generating stations owned by BHP as of December 31, 2008 include the Ben French combustion turbines and diesel driven generator sets, the Neil Simpson Unit 1 combustion turbine and the Lange combustion turbine. BHP forecasts 50 and 48 year service lives for the Neil Simpson and Lange combustion turbines, respectively. The Ben French combustion turbines and diesel generation units are estimated to be retired by 2030. These forecast retirement dates result in services lives considerably greater than those we normally use for this type equipment. However, when considering BHP's aggressive capital maintenance schedules and limited use of these facilities, we find the estimates to be reasonable.

BLACK HILLS POWER



Table 5-3 summarizes the nameplate rating, year of installation, and forecast retirement date for each unit as provided by BHP.

Table 5-3 Other Production Plant Data

		(::/:_ [B]	[C]	•	•
Line No.	Other Production Plant	Nameplate Rating	Date Installed	Estimated Retirement	Estimated Service Life
	and get a second se	kW			years
1	BF - Diesel #1	2,000	1965	2020	55
2	BF - Diesel #2	2,000	1965	2020	55
3	BF - Diesel #3	2,000	1965	2020	55
4	BF - Diesel #4	2,000	1965	2020	55
5	BF - Diesel #5	2,000	1965	2020	55
6	BF - Combustion Turbine #1	25,000	1977	2030	53
7	BF - Combustion Turbine #2	25,000	1977	2030	53
8	BF - Combustion Turbine #3	25,000	1978	2030	52
9	BF - Combustion Turbine #4	25,000	1979	2030	51
10	Neil Simpson CT #1	40,000	2000	2050	50
11	Lange CT #1	40,000	2002	2050	48

Ben French Combustion Turbines. The four combustion turbines were installed in the period 1977 through 1979. At the end of 2008, the age of the facility ranged from 29 to 31 years and the remaining life is estimated to be 22 years based on the forecast retirement of all units in 2030. This is an 11 year life extension compared to our previous study.

Based on the unit property methodology, the whole life accrual rate for Ben French CTs is 1.84 percent and the remaining life rate (with cost of removal) is 1.38 percent as shown in Table 5-1. This is a significant decrease from the existing rate of 2.43% due to the retirement date being extended 11 years since our previous study. The accumulated depreciation for the plant is \$14,007,037 compared to the plant balance of \$19,323,720 for the period ending December 31, 2008. The analysis showing the development of these rates is shown in the Appendix.

Neil Simpson Unit 1 Combustion Turbine. This combustion turbine was installed in 2000. At the end of 2008, the age of the facility was 8 years and the remaining life was estimated to be 42 years based on the forecast retirement of the unit in 2050. This is a 20 year life extension compared to our previous study.

In 2009, a hot gas path replacement will take place at a capital cost of approximately \$1.8 million, with recurring capital costs every seven years escalated at a 2.5 percent annual inflation rate through 2030. Other than these major capital additions, nominal levels of interim additions and interim retirements are expected to be made over the remaining life of the station. Based on the unit property methodology, the whole life accrual rate for Neil Simpson Unit 1 CT is 2.71 percent and the remaining life rate (with cost of removal) is 2.51 percent as shown in Table 5-1. This is a significant decrease from the existing rate of 3.91% due to the retirement date being extended 20 years from our previous study. The accumulated depreciation reserve is \$9,850,982 compared to the plant balance of \$29,130,532 as of December 31, 2008. The analysis showing the development of these rates is shown in the Appendix.

Lange Combustion Turbine. This combustion turbine was installed in 2002. At the end of 2008, the age of the facility was 6 years and the remaining life was estimated to be 42 years based on the forecast retirement of the unit in 2050. This represents an 18 year increase in the life from the previous retirement year of 2032.

BLACK HILLS POWER DEPRECIATION STUDY

In 2013, the Lange CT will have major capital additions of approximately \$2.2 million, with recurring capital costs every seven years escalated at a 2.5 percent annual inflation rate over the remaining life of the unit (through 2041). Other than these major capital additions, nominal levels of interim additions and interim retirements are expected to be made over the remaining life of the station. Based on the unit property methodology, the whole life accrual rate for Lange CT is 2.06 percent and the remaining life rate (with cost of removal) is 2.39 percent. This is a significant decrease from the existing rate of 3.97% due to the retirement date being extended 18 years since our previous study. The accumulated depreciation reserve is \$8,369,716 compared to the plant balance of \$30,183,503 as of December 31, 2008. The analysis showing the development of these rates is shown in the Appendix.

5.3 Wygen III Depreciation Rate

BHP is constructing the Wygen III Project at its Wyodak Energy Complex outside Gillette, Wyoming. Wygen III is expected to be completed in spring of 2010 at a cost of \$247 million and will provide power to BHP for 45 years. BHP has a 52 percent ownership stake in the plant and its share of plant in service is \$128.4 million. Wygen III is nominally rated as a 110 MW baseload power station and the fourth plant of a proven economical and efficient design constructed by BHC. Neil Simpson II, Wygen I, and Wygen II are sister plants located at the Wyodak Energy Complex. Wygen III is designed with the latest available emissions control technology to meet Wyoming's strict air quality standards.

BHP asked that we recommend depreciation rates for its investment in Wygen III. In 2007 we developed the depreciation rate for Wygen II, which is owned and operated by the Black Hills Corporation (BHC) subsidiary Cheyenne Light, Fuel & Power (CLFP). The deprecation rate for Wygen II was generally modeled after BHP's Neil Simpson II unit. To develop an accrual rate for Wygen III, we generally follow the template used in for the Wygen II depreciation rate and recommend the same applied rate of 2.72%. Both rates are premised on a 45 year service life. The annual accrual rates we develop will, if applied annually to unit property account balances over the life of the plant, recover BHP's investment in Wygen III, including consideration of the impact of net salvage. The principal forecasts, for which we make assumptions include:

- The retirement date (life span) of the generating station,
- The level of interim additions and retirements,
- The level of major plant additions, upgrades, and improvements required for the plant to reach the planned retirement date,
- The net salvage values associated with interim and final retirements.

We base our recommended depreciation rates for unit property on the remaining life depreciation expense rate method. For a new plant coming on line such as Wygen III, the remaining life rate equals the whole life rate since the remaining life is the full service life and no adjustment is needed for accumulated depreciation reserve. Based on the fact that Wygen III will be completed by spring 2010 and will have a 45-year service life, we forecast plant investment activity (interim additions, retirements, and balances) for each year that we forecast the generating plant would remain in service.

In the Appendix, we show our depreciation analysis for Wygen III. We calculate a whole life, straight line depreciation accrual rate by dividing the gross investment (plant investment in 2010 plus forecast interim additions less net salvage) by the sum of the forecast annual depreciable plant balances over the life of the unit. Annual depreciable balances are based on plant balances in 2010 plus forecast additions and retirements. Our recommended whole life depreciation rate calculations presented in the Appendix are summarized in Table 5-4. The calculated whole life depreciation rate for Wygen III is 2.72 percent.

BLACK HILLS POWER DEPRECIATION STUDY



Table 5-4 Wygen III Depreciation Rate

(1) BHP's 52% ownership share

BLACK HILLS POWER DEPRECIATION STUDY

6.0 MASS PROPERTY ANALYSIS

There are two fundamental approaches (methods) used to develop depreciation rates. These are the whole life approach and the remaining life approach. The basic equation used to determine a whole life depreciation rate is as follows:

Whole Life Rate =

1 – Salvage Ratio Average Service Life

As evident from the above, this equation consists of two elements. The first element reflects recovery of the initial investment (1/ASL). The second element (-SR/ASL) reflects credit for net salvage. As we previously indicated, the purpose of considering net salvage in determining the accrual rate is to credit salvage and recover cost of removal over the life of the property.

An underlying assumption of the whole life method is that for mass property accounts, as property is retired and new property is installed, the average service life of the group does not change significantly. The whole life method is predicated on homogeneity of the property units included in the group. For mass property accounts that have significant retirement history, where vintage retirement history is available, and where we consider life characteristics in the future to be similar to those observed in the past, we use an actuarial analysis as the principal basis to estimate average service life.

Conversely, the basic equation used to determine a remaining life depreciation rate is as follows:

Remaining Life Rate = <u>1 - Salvage Ratio - Reserve Ratio</u> Estimated Average Remaining Life

As demonstrated above, the whole life and remaining life equations are comparable. The only difference is, as the names imply, that under the whole life approach, investment is recovered equally over the entire life. With the remaining life method, undepreciated investment is recovered over the remaining life. So long as no change in life or other characteristics occur, the whole life and remaining life depreciation rates will be the same. Typically, as we do here in Section 6.2, an adjustment to whole life depreciation rates to reflect the amortization of reserve deficiency converts the whole life rate to a remaining life rate.

The traditional approach for incorporating allowances for net salvage is to compare annual net salvage (gross salvage minus cost of removal) to the original cost of the plant retired during that year. Typically this approach involves activity over a representative historical period, preferably at least 10 years. The traditional approach assumes that the ratio of net salvage dollars to the original cost dollars of the retirements is representative of the allowance that will ultimately apply to all plant in service over the life of the asset. In a whole life depreciation calculation, this allowance (ratio) is deducted before dividing by the average service life.

6.1 Whole Life Analysis for Mass Property

In Table 6-1, we summarize our recommended average service lives (ASL), Iowa curves, and net salvage ratios we use to calculate our indicated whole life depreciation rates applicable to mass property accounts. For mass property accounts (transmission, distribution, and general plant), we develop average service lives based on retirement (actuarial) analyses. We base our recommended net salvage ratios on BHP history, previous experience with similar systems, and judgment.

In this section, we summarize BHP's existing remaining life rates and indicated whole life depreciation rates. To determine the average service life (ASL), we rely on retirement analyses for transmission, distribution and general plant.

BLACK HILLS POWER DEPRECIATION STUDY

BHP provided us with salvage and cost of removal data by plant account for the years 1997 through 2008. We analyzed the data, and developed average gross salvage, cost of removal and net salvage for distribution, transmission and general plant accounts. Our recommended gross salvage, cost of removal, and net salvage adjustments are based on BHP's 12 years of data, our experience, and professional judgment.

Table 6-1 shows the development of our indicated whole life rates using our recommended average service lives, Iowa curves, and net salvage adjustment.

6.1.1 Transmission Plant

Transmission plant facilities consist of 11 transmission substations and 447 pole miles of transmission circuits, plus 47 miles jointly owned with Basin Electric. Transmission voltage is 230 kV. In 2004 and 2005, transmission investment associated with 47 kV and 69 kV lines was reclassified to distribution plant. Historically, the primary cause for retirement of transmission plant has been obsolescence resulting from voltage upgrading. Other factors such as deterioration of wood poles and core wire oxidation of steel reinforced aluminum conductor affect historical retirements. Based on the review of the results of our actuarial analyses, along with consideration of the average age of retired properties and engineering judgment, we developed indicated service lives for transmission plant. The net salvage ratios are based on BHP data, our experience and professional judgment. A listing of average service lives and net salvage ratios for each plant account is shown in Table 6-1.

The actuarial analysis indicated a few changes in the whole life rates as compared to the existing rates. As shown in Table 6-1, actuarial analyses suggest that the average service lives for Structures and Improvements (Account 352), Station Equipment (Account 353), Towers and Fixtures (Account 354), and Roads and Trails (Account 359) increased from 3 to 5 years, while Poles and Fixtures (Account 355) and Overhead Conductors and Devices (Account 356) stayed the same as compared to our 2006 report. An analysis of the historical salvage and cost of removal data indicates that, in general, the transmission function has a negative net salvage (cost of removal exceeds salvage value). Net salvage ratios for transmission plant have remained primarily the same as existing rates, with the one change being Overhead Conductor and Devices (Account 356) changing from -15% to -10% (Table 6-1, Column K). As shown in Table 6-1, the indicated composite whole life rate for transmission plant is 2.18%.

6.1.2 Distribution Plant

BHP's distribution plant consists of substations, overhead and underground lines, transformers, services, meters, and lighting facilities. A listing of average service lives, Iowa curves, and net salvage ratios we use for each plant account is shown in Table 6-1.

Much like our actuarial analysis of transmission plant, some changes were identified for distribution plant accrual rates. As shown in Table 6-1, the actuarial analysis suggests that Structures and Improvements (Account 361), Underground Conductors and Devices (Account 367), and Meters (Account 370) decrease ASL by 2 to 5 years. Of the remaining 8 distribution accounts, the actuarial analysis indicates 7 show the need for longer average service lives. The specific changes are shown below:

- Station Equipment (Account 362) increases from 35 to 37 years,
- Poles, Towers and Fixtures (Account 364) increases from 40 to 44 years,
- Overhead Conductor and Devices (Account 365) increases from 40 to 45 years,
- Underground Conduit (Account 366) increases from 40 to 45 years,
- Line Transformers (Account 368) increases from 33 to 34 years,
- Services (Account 369) increases from 40 to 45 years,
- Installations (Account 371) increases from 25 to 30 years.

Based on our analysis of BHP's history of gross salvage and cost of removal, as well as our experience we recommend changes in net salvage ratios for 5 distribution accounts, as summarized below:

BLACK HILLS POWER DEPRECIATION STUDY

- Poles, Towers and Fixtures (Account 364) changes from -25% to -30%,
- Overhead Conductor and Devices (Account 365) changes from -20% to -10%,
- Line Transformers (Account 368) changes from 5% to 10%,
- Services (Account 369) changes from -5% to -25%,
- Installations (Account 371) changes from 0% to -10%.

As shown in Table 6-1, the indicated composite whole life rate for distribution plant is 2.79%

6.1.3 General Plant

General plant consists of facilities and equipment which are used to support all functional activities. A listing of the average service lives and net salvage ratios for each plant account is shown in Table 6-1.

Based on the results of our actuarial analysis, four general plant accounts indicated the need for longer services lives and four indicate a reduction in ASL. Specific recommended changes are shown below:

- Structures and Improvements (Account 390) increases from 30 to 33 years
- Office Furniture and Equipment (Account 391) increases from 10 to 13 years
- Transportation Equipment (Account 392) increases from 10 to 12 years
- Tools, Shop, and Garage Equipment (Account 394) decreases from 30 to 25 years
- Laboratory Equipment (Account 395) decreases from 50 to 45 years
- Power Operated Equipment (Account 396) decreases from 30 to 25 years
- Communication Equipment (Account 397) decreases from 30 to 25 years
- Miscellaneous Equipment (Account 398) increases from 20 to 27 years

For Account 391, Office Furniture and Equipment, we recommend dividing the account into two distinct subaccounts with different depreciation rates. The combination of office furniture and computer and associated software results in a mix of assets with considerably difference life characteristics. Based on our experience, we estimate a service life for Computer Equipment of not more than 7.5 years. When we combine that 7.5 year life with the 13 year service life indicated by our actuarial analysis for the combined account a 21.6 year service life for Office Furniture and Equipment is indicated. We maintain the same 5% net salvage ratio for both new subaccounts, which results in whole life rates of 4.40% for Office Furniture and Equipment and 12.67% for Computer Equipment.

We recommend changes to net salvage ratios for 3 accounts. The net salvage ratio for Transportation Equipment (Account 392) changes from 20% to 15%, changes from 5% to 0% for Stores Equipment (Account 393), and changes from 5% to 0% for Miscellaneous Equipment (Account 398). As shown in Table 6-1, the indicated composite whole life rate for general plant accounts is 5.37%

6.2 Depreciation Reserve Analysis

As a final step in the development of our recommended depreciation rates, we account for any reserve deficiency or excess by converting the rates from whole life to remaining life rates. As we described previously in Section 6.0, the formula for calculating remaining life depreciation rates is:

Remaining Life Rate =	1 – Salvage Ratio – Reserve Ratio
	Estimated Average Remaining Life

We show our development of remaining life rates in Table 6-2. The key factors that differentiate a remaining life calculation and a whole life rate calculation are the inclusion of the existing reserve ratio and using the remaining life (in years) as the divisor instead of the average service life. We calculate the existing reserve ratio in Column E of Table 6-2. Our recommended net salvage ratio is shown in Column N. The remaining

BLACK HILLS POWER DEPRECIATION STUDY

life shown in Column O represents the probable life based on the average age of existing plant and the Iowa curve type and ASL. The calculated remaining life rates are shown in Column P of Table 6-2.

Overall, our recommended remaining life rates are lower on a composite basis than existing rates for transmission, distribution, and general plant assets. For transmission accounts, the composite rate decreases from 2.32% to 2.12%. This results in an estimated decrease in depreciation expense³ of \$186,000. The composite rate for distribution accounts decreases from 3.02% to 2.72%, which results in an estimated decrease in depreciation expense³ of \$186,000. The composite rate for distribution accounts decreases from 3.02% to 2.72%, which results in an estimated decrease in depreciation expense⁵ of \$787,000. For general plant accounts, the composite rate decreases from 6.43% to 4.61%, a decrease of \$774,000 in annual depreciation expense⁵. We attribute these decreases to two main factors: first, we find a general trend of longer service lives compared to the previous study, and second, a as a result of the longer service lives, the theoretical reserve ratio, all other factors equal, will generally be lower than the existing reserve ratio. To account for the existing reserve ration being higher than theoretical, the remaining life calculation effectively lowers the applied rate.

Our recommended remaining life rates are summarized in Table 6-2, Column P. The composite remaining life rate for all accounts is 2.82%, which is a decrease from the previous composite rate of 3.27%. The estimated annual effect on depreciation expense is a decrease of \$1.7 million, as shown in Column Q.

³ Based on December 31, 2008 plant balances

BLACK HILLS POWER DEPRECIATION STUDY

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[<i>J</i>]	[K]	[L]
					Existing			1	Recommende	d		
				Existing	Adjustment	Whole Life		Average				Equivalent
Line	FERC		Plant in Service	Rem. Life	for Net	ASL in	Iowa	Service	Gross	Cost of	Net	Whole Life
No.	Acct	Description	At 12/31/2008	Rates	Salvage	Current Rates	Curve	Life	Salvage	Removal	Salvage	Rates
			\$								[I] - [J]	(1 - [K]) / [H]
1		Transmission Plant										
2	350	Land and Land Rights	2,159,768	0.00%	0%				0%	0%	0%	0.00%
3	352	Structures and Improvements	1,568,466	2.39%	-10%	45	S4	48	0%	10%	-10%	2.29%
4	353	Station Equipment	33,850,757	2.66%	5%	35	SO	40	10%	5%	5%	2.38%
5	354	Towers and Fixtures	447,677	2.04%	-15%	55	R1.5	60	5%	20%	-15%	1.92%
6	355	Poles and Fixtures	14,243,734	2.22%	-25%	55	S4	55	15%	40%	-25%	2.27%
7	356	Overhead Conductors and Devices	17,300,024	2.04%	-15%	55	R4	55	30%	40%	-10%	2.00%
8	359	Roads and Trails	6,920	1.95%	0%	50	S6	53	0%	0%	0%	1.89%
9	106	Completed Construction not Classified	892,291	2.32%								2.18%
10		Total Transmission Plant	70,469,637	2.32%								2.18%
11		Distribution Plant										
12	360	Land and Land Rights	1,624,794	0.00%	0%				0%	0%	0%	0.00%
13	361	Structures and Improvements	254,825	3.28%	-10%	35	S0	33	0%	10%	-10%	3.33%
14	362	Station Equipment	51,530,410	2.85%	5%	35	R3	37	15%	10%	5%	2.57%
15	364	Poles, Towers and Fixtures	54,941,936	3.27%	-25%	40	R2.5	44	20%	50%	-30%	2.95%
16	365	Overhead Conductors and Devices	32,494,569	3.14%	-20%	40	R1.5	45	30%	40%	-10%	2.44%
17	366	Underground Conduit	1,211,297	2.64%	0%	40		45	0%	.0%	0%	2.22%
18	367	Underground Conducters and Devices	35,726,003	3.00%	0%	35	S2	30	. 5%	5%	0%	3,33%
19	368	Line Transformers	29,657,925	3.02%	5%	33	S0.5	34	10%	0%	10%	2.65%
20	369	Services	22,865,627	2.77%	-5%	40	R4	45	25%	50%	-25%	2.78%
21	370	Meters	7,897,105	2.85%	5%	35	L2	32	15%	10%	5%	2.97%
22	371	Installations on Customer Premises	1,663,075	4.14%	0%	25	LO	30	20%	30%	-10%	3.67%
23	373	Street Lighting and Signal Systems	1,516,328	4.34%	-5%	25	L0	25	20%	25%	-5%	4.20%
24	106	Completed Construction not Classified	8,267,701	3.02%								2.79%
25		Total Distribution Plant	249,651,598	3.02%								2.79%
26		General Plant										
27	389	Land and Land Rights	602,008	0.00%	0%				0%	0%	0%	0.00%
28	390	Structures and Improvements	10,467,603	4.73%	-10%	30	LI	33	0%	10%	-10%	3.33%
29	391	Office Furniture and Equipment	9,161,820	10.56%	5%	10	04	13				
30	391.1	Office Furniture and Equipment	3,570,058					21.6	10%	5%	5%	4.40%
31	391.3	Computer/Software Equipment	5,591,762				-	7.5	10%	5%	5%	12.67%
32	392	Transportation Equipment	5,146,117	9.06%	20%	10	RI	12	15%	0%	15%	7.08%
33	393	Stores Equipment	292,210	4.23%	5%	30		30	10%	10%	0%	3,33%
34	394	Tools, Shop and Garage Equipment	4,852,946	4.23%	3%	30	L1.5	25	5%	0%	3%	3.80%
35	395	Laboratory Equipment	607,146	3.06%	0%	50	EI CE	45	0%	0%	0%	2.22%
36	396	Power Operated Equipment	510,/35	4.25%	5%	30	30	25	2% 0%	0%	5% 0%	3.80% 4.00%
37	397	Communication Equipment	7,030,343	4.35%	0%	30	1.4	23	0%	0%	0%	4.00%
38	398	Miscellaneous Equipment	340,052	2.81%	5%	20	LI	21	0%	0%	0%	3.70%
39	106	Completed Construction not Classified	1,526,583	0.03%								5,31%
40		i otai General Plant	40,949,064	0.43%								5.5/%
41		Total Mass Property	361,070,299	3.27%								2.97%

Table 6-1 Summary of Mass Property Analysis

Black & Veatch

September 2009

MASS PROPERTY

BLACK HILLS POWER DEPRECIATION STUDY

Table 6-2 Calculation of Remaining Life Rates

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	ប្រ	[K]	[L]	[M]	[N]	[0]	[P]	ହ	{R}
							Existing	}				Recommended		· · · · · · · · · · · · · · · · · · ·				
				Depreciation	_			Adjustment	Whole Life	_	Average	-			Remaining	Indicated	Indicated	Indicated
Linc	FERC	a 1 1	Plant in Service	Reserve	Reserve	Average	Rem. Life	for Net	ASL in	Iowa	Service	Gross	Cost of	Net	Life Based	Remaining Life	Change in	Remaining Life
No.	Acct	Description	At 12/31/2008	At 12/31/2008	Katio	Age	Kates	Salvage	Current Rates	Curve	Lile	Saivage	Removal	Salvage	on Curve	Rate With COR	DeprExp	Rate w/o COR
			S .	\$	[D] / [C]	years								[L] - [M]	years	(I-[N]-[E])/[O]	([P] - [G])*[C	(1-[L]-[E])/[O]
1		Transmission Plant																
2	350	Land and Land Rights	2,159,768	•	0.0%		0.00	% 0%				0%	0%	0%		0.00%		0.00%
3	352	Structures and Improvements	1,568,466	535,697	34.2%	9.1	2.39	% -10%	45	S4	48	0%	10%	-10%	38.9	1.95%	(6,901)	1,69%
4	353	Station Equipment	33,850,757	12.876.640	38.0%	8.8	2.66	% 5%	35	S0	40	10%	5%	5%	33.4	1.71%	(321,582)	1,56%
5	354	Towers and Fixtures	447,677	167,538	37.4%	6.7	2.04	% -15%	55	R1.5	60	. 5%	20%	~15%	54.7	1.42%	(2,776	1.05%
6	355	Poles and Fixtures	14,243,734	5,280,479	37.1%	26.9	2.22	% -25%	55	S4	55	15%	40%	-25%	28.2	3.12%	128,194	1.70%
7	356	Overhead Conductors and Devices	17,300,024	6,398,076	37.0%	21.7	2.04	% -15%	55	R4	55	30%	40%	-10%	33.9	2,15%	19,030	0.97%
8	359	Roads and Trails	6,920	2,570	37.1%	24.8	1.95	% 0%	50	S 6	53	0%	0%	0%	28.2	2.23%	19	2,23%
9	106	Completed Construction not Classified	892,291	72,132	8.1%		2.32	%								2.12%	(1,785)	
10		Total Transmission Plant	70,469,637	25,333,132	35.9%		2.32	%					2 2			2.12%	(185,801)	1.38%
11		Distribution Plant																
12	360	Land and Land Rights	1,624,794	(21.552)	-1.3%		0.00	% 0%				0%	0%	0%		0.00%		0.00%
13	361	Structures and Improvements	254,825	115,258	45.2%	21.1	3.28	% -10%	35	S0	33	0%	10%	-10%	19.7	3.29%	25	2.78%
14	362	Station Equipment	51,530,410	19,833,698	38.5%	14,3	2.85	% 5%	35	R3	37	15%	10%	5%	24.0	2.35%	(257,652)	1.94%
15	364	Poles, Towers and Fixtures	54,941,936	18,370,367	33.4%	14.3	3.27	% ~25%	40	R2.5	44	20%	50%	-30%	31.5	3.07%	(109,884)	1.48%
16	365	Overhead Conductors and Devices	32,494,569	12,187,100	37.5%	17.6	3.14	% -20%	40	R1.5	45	30%	40%	-10%	31.9	2.27%	(282,703)	1.02%
17	366	Underground Conduit	1,211,297	346,988	28.6%	6.0	2.64	% 0%	40		45	0%	0%	0%	39.0	1.83%	(9,812)	1.83%
18	367	Underground Conducters and Devices	35,726,003	10,339,823	28.9%	9.7	3.00	% 0%	35	S2	30	5%	5%	0%	20.9	3.40%	142,904	3.16%
19	368	Line Transformers	29,657,925	10,400,878	35.1%	11.9	3.02	% 5%	33	\$0.5	34	10%	0%	10%	24.9	2.21%	(240,229)	2.21%
20	369	Services	22,865,627	7,357,128	32.2%	11.5	2.77	% -5%	40	R4	45	25%	50%	-2.5%	34.0	2.73%	(9,146)	1.26%
21	370	Meters	7,897,105	1,259,837	16.0%	8.6	2.85	% 5%	35	L2	32	15%	10%	5%	24.2	3.27%	33,168	2.85%
22	371	Installations on Customer Premises	1,663,075	626,129	37.6%	12.8	4.14	% 0%	25	LO	30	20%	30%	~10%	23.5	3,08%	(17,629)	1.80%
23	373	Street Lighting and Signal Systems	1,516.328	611,471	40.3%	15.8	4.34	% -5%	25	LO	25	20%	25%	~5%	17.9	3.61%	(11,069)	2.22%
24	106	Completed Construction not Classified	8,267,701	533,504	6.5%		3.02	%								2.72%	(24,803)	
25		Total Distribution Plant	249,651,598	81,960,628	32.8%		3.02	%								2.72%	(786,829)	1.82%
26		General Plant																
27	389	Land and Land Rights	602,008	-	0.0%		0.00	% 0%				0%	0%	0%		0.00%		0.00%
28	390	Structures and Improvements	10,467,603	5,598,384	53.5%	16.2	4.73	% -10%	30	LI	33	0%	10%	-10%	22.4	2.52%	(231,334)	2.08%
29	391	Office Furniture and Equipment	9,161,820	6,086,841	66.4%	9.2	10.56	% 5%	10	04	13	0%	0%	0%	15.5			
30	391.1	Office Furniture and Equipment	3,570,058	1,274,510	35.7%						21.6	10%	5%	5%		4.40%	(219,916)	4.17%
31	391.3	Computer/Software Equipment	5,591,762	4,812,330	86.1%						7.5	10%	5%	5%		12.67%	117,986	12.00%
32	392	Transportation Equipment	5,146,117	2,771,584	53.9%	5.9	9.06	% 20%	10	RI	12	15%	0%	15%	8,0	3.89%	(266,054)	3.89%
33	393	Stores Equipment	292,210	152,865	52.3%	21.8	4.23	% 5%	30		30	10%	10%	0%	8.2	5.82%	4,646	4.60%
34	394	Tools, Shop and Garage Equipment	4,852,946	2,429,345	50.1%	9.8	4.23	% 5%	30	L1.5	25	5%	0%	5%	17.7	2.54%	(82,015)	2.54%
35	395	Laboratory Equipment	607,146	283,317	46.7%	12.4	3.06	% 0%	50	LI	45	0%	0%	0%	35,2	1,52%	(9,350)	1.52%
36	396	Power Operated Equipment	316,735	131,158	41.4%	5.3	4.23	% 5%	30	S5	25	5%	0%	5%	19.7	2.72%	(4,783)	2.72%
37	397	Communication Equipment	7,630,343	895,944	11.7%	2.1	4.39	% 0%	30	L2	25	0%	0%	0%	23.0	3.84%	(41,967)	3.84%
38	398	Miscellaneous Equipment	345,552	179,498	51.9%	16.8	5.81	% 5%	20	LI	27	0%	0%	0%	17.5	2.75%	(10,574)	2.75%
39	106	Completed Construction not Classified	1,526,583	484,814	31.8%		6.63	70								4.61%	(30,837)	
40		Total General Plant	40,949,064	19,013,751	46.4%		6.439	6								4.61%	(774,197)	4.14%
41		Total	361,070,299	126,307,511	35.0%		3.275	/e								2.82%	(1,746,827)	1.99%
													Ę.					

September 2009

RECOMMENDED DEPRECIATION RATES

BLACK HILLS POWER DEPRECIATION STUDY

7.0 RECOMMENDED DEPRECIATION RATES

We summarize our recommended depreciation rates for unit property and mass property in Table 7-1

7.1 Unit Property Depreciation Rates

Our recommended composite depreciation rate for Steam Production Plant is 2.80%, a 7% increase from the existing rate of 2.61%. This increase is primarily due to the effect of the remaining life adjustment and the impact of major capital additions. For Other Production Plant, the composite rate decreases 39% to 2.19%. This reduction is primarily due to 18 to 20 year life extensions at the Neil Simpson CT and Lange CT facilities. For all generation facilities, the composite rate decreases from 2.84% to 2.66%, resulting in an estimated decrease in depreciation expense of \$609,000.

By including Wygen III, with depreciation rate of 2.72%, the composite rate for all unit property increases to 2.68%. When including the estimated depreciation expense for Wygen III, the total increase in depreciation expense for unit property is \$2.88 million.

7.2 Mass Property Depreciation Rates

For transmission accounts, the composite rate decreases from 2.40% to 2.12%. This results in an estimated decrease in depreciation expense of \$186,000. The composite rate for distribution accounts decreases from 3.04% to 2.72%, which results in an estimated decrease in depreciation expense of \$787,000. For general plant accounts, the composite rate decreases from 6.53% to 4.61%, a decrease of \$774,000 in depreciation expense. We attribute these decreases to two main factors: first, we find a general trend of longer service lives compared to the previous study, and second, the longer service lives, all other factors equal, results in a theoretical reserve ratio lower than the existing reserve ratio. To account for the existing reserve ration being higher than theoretical, the remaining life calculation effectively lowers the applied rate.

The composite rate for all mass property accounts is 2.82%, which is a 14% decrease from the current composite rate of 3.27%. The estimated impact on depreciation expense for mass property accounts is a decrease of \$1.75 million.

7.3 Summary

Overall, our recommended depreciation rates are 11% lower than existing, based on plant balances at December 31, 2008. The overall impact is a decrease in annual depreciation expense of \$2.36 million. The depreciation expense for the Wygen III generating unit will however generate an additional \$3.49 million in annual depreciation expense, bringing the overall change in depreciation expense to an increase of \$1.14 million.

RECOMMENDED DEPRECIATION RATES

BLACK HILLS POWER DEPRECIATION STUDY



	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]
				Existi	ng	al de las	Recommended	
Line No.	Description	FERC Acct	Plant in Service At 12/31/2008	Depreciation Rate-	Depreciation Expense (1)	Depreciation Rate (2)	Depreciation Expense (1)	Change in Expense
	tere all a series and the series of the seri		\$	%	\$	%	\$	\$
1	Production Plant	10		1 a f		1414-14	the sector sector	
2	Steam Production Plant					1.4474	e	
3	Land and Land Rights	310	333,941	0.00%		0.00%		5.5. s.e."
4	Osage	311-316	17,918,001	1.53%	274,145	2.59%	463,686	189,540
5	Ben French	311-316	13,360,210	2.21%	295,261	3.62%	483,953	188,693
6	Wyodak	311-316	79,050,217	2.87%	2,268,741	3.04%	2,401,452	132,710
7	Neil Simpson I	311-316	18,913,575	3.35%	633,605	3.49%	660,195	26,590
8	Neil Simpson II	311-316	125,534,971	2,54%	3,188,588	2.49%	3,130,008	(58,580)
9.	Total Steam Production	Sec. and	255,110,915	2.61%	6,660,340	2.80%	7,139,293	478,953
10	Other Production Plant					an a		
11	Land and Land Rights	340	2,705	0.00%		0.00%	÷	-
12	Lange CT	341-346	30,183,503	3.97%	1,198,285	2.39%	720,570	(477,715)
13	Neil Simpson CT	341-346	29,130,532	3.91%	1,139,004	2.51%	731,258	(407,746)
14	Ben French Other Production	341-346	19,323,720	2.43%	469,566	1.38%	267,079	(202,487)
15	Total Other Production		78,640,459	3.57%	2,806,855	2.19%	1,718,908	(1,087,948)
16	Total Production Plant		333,751,374	2.84%	9,467,196	2.66%	8,858,201	(608,995)
17	Transmission Plant							
18	Land and Land Rights	350	2,159,768	0.00%	· · · · · · · · · · · · · · · · · · ·	0.00%		
19	Structures and Improvements	352	1,568,466	2.39%	37,486	1.95%	30,585	. (6,901)
20	Station Equipment	353	33,850,757	2.66%	900,430	1.71%	578,848	(321,582)
21	Towers and Fixtures	354	447,677	2.04%	9,133	1.42%	6,357	(2,776)
22	Poles and Fixtures	355	14,243,734	2.22%	310,211	3.12%	444,404	128,194
23	Overnead Conductors and Devices	350	17,500,024	2.04%	552,920	2.13%	571,951	19,030
24	Completed Construction not Classified	106	807 201	2 3 2 9%	20 701	2.2370	19 017	(1.785)
25	Tatal Taxantiasian Diant	100	70 460 637	2.5276	1 627 017	2.12/0	1 451 216	(195 901)
20	Total Transmission Plant		70,409,037	2.4070	1,057,017	2.1270	1,451,210	(105,001)
27	Distribution Plant							
28	Land and Land Rights	360	1,624,794	0.00%		0.00%	-	
- 29 -	Structures and Improvements	361	254,825	3.28%	8,358	3.29%	8,384	25
30	Station Equipment	362	51,530,410	2.85%	1,408,017	2.33%	1,210,965	(257,652)
31	Poles, Towers and Fixtures	364	22 404 560	3.2/%	1,/90,001	3.07%	1,080,/1/	(109,004)
32	Uvernead Conductors and Devices	303	1 211 207	3.14%	1,020,329	1 9 3 9/	137,027	(202,703)
24	Underground Conductors and Devices	367	35 726 003	3.00%	1071780	3 40%	1 214 684	142 904
35	Line Transformers	368	29.657 925	3.02%	895.669	2.21%	655 440	(240,229)
36	Services	369	22,865,627	2.77%	633,378	2.73%	624,232	(9,146)
37	Meters	370	7.897.105	2.85%	225.068	3.27%	258,235	33,168
38	Installations on Customer Premises	371	1,663,075	4.14%	68,851	3.08%	51,223	(17,629)
39	Street Lighting and Signal Systems	373	1,516,328	4,34%	65,809	3.61%	54,739	(11,069)
40	Completed Construction not Classified	106	8,267,701	3.02%	249,685	2.72%	224,881	(24,803)
41	Total Distribution Plant		249,651,598	3.04%	7.536.123	2.72%	6.749.294	(786,829)
47	General Plant				, .			
43	I and and I and Rights	389	602.008	0.00%	-	0.00%	-	
44	Structures and Improvements	390	10.467.603	4.73%	495.118	2.52%	263,784	(231,334)
45	Office Furniture and Equipment	391	9,161,820	10.56%	967,488	9.45%	865,559	(101,929)
46	Office Furniture and Equipment	391.1				4.40%	-	-
47	Computer Equipment	391.3				12.67%	-	·-
48	Transportation Equipment	392	5,146,117	9.06%	466,238	3.89%	200,184	(266,054)
49	Stores Equipment	393	292,210	4.23%	12,360	5.82%	17,007	4,646
50	Tools, Shop and Garage Equipment	394	4,852,946	4.23%	205,280	2.54%	123,265	(82,015)
51	Laboratory Equipment	395	607,146	3.06%	18,579	1.52%	9,229	(9,350)
52	Power Operated Equipment	396	316,735	4.23%	13,398	2.72%	8,615	(4,783)
53	Communication Equipment	397	7,630,343	4.39%	334,972	3.84%	293,005	(41,967)
54	Miscellaneous Equipment	398	345,552	5.81%	20,077	2.75%	9,503	(10,574)
55	Completed Construction not Classified	106	1,526,583	6.63%	101,212	4.61%	70,375	(30,837)
56	Total General Plant		40,949,064	6.53%	2,634,722	4.61%	1,860,525	(774,197)
57	Total Plant in Service at 12/31/08		694,821,673	3.11%	21,275,057	2.76%	18,919,236	(2,355,821)
58	Pro Forma Adjustment							
59	Steam Production Plant							
60	Wygen III (in Service 2010)	311-316	128,440,000	n/a		2.72%	3,493,568	3,493,568
61	Pro Forma Plant in Service		823,261,673	3.11%	21,275,057	2,75%	22,412,804	1,137,747

Notes: (1) Based on December 31, 2008 Balances (2) Reference: Table 5-1, Column E for Production Plant / Table 6-2, Column P for Mass Property Accounts

APPENDIX

BLACK HILLS POWER DEPRECIATION STUDY

APPENDIX UNIT PROPERTY ANALYSIS

BLACK HILLS POWER DEPRECIATION STUDY

Unit Property Analysis

The unit property analysis for each plant is presented in the following sections. The analysis for each plant is done by account on a whole life basis, including recognition of interim and forecast additions and retirements and final net salvage. The remaining life portion of these analyses are summarized by plant and adjusted to reflect accumulated depreciation to determine a forecast remaining life balance. Accumulated depreciation is maintained by BHP on a total plant basis and not by individual account. The recommended remaining life rates with COR and without COR are determined on each plant summary page. The remaining life results in this Appendix are carried forward to Table 5-1 in the body of the report.



Summary by Plant Black Hills Power Osage Facility

			Direct Investment	Depreciation	
Account	Description		2008\$	Rate	
310	Land				
311	Structure & Improvements		4,392,152	3.16%	
312	Boiler Plant Equipment		7,298,517	2.57%	
313	Engines & Engine Driven Generators				
314	Turbo Generator Equipment		4,616,858	2.56%	
315	Accessory Electric Equipment		1,054,888	2.23%	
316	Misc Power Equipment		452,022	2.56%	
				• (0)/	
		Total	17,814,438	2.69% w	hole life we

Remaining Life Depreciation Rate Calculation

· ·	
Per Books Balance 12/31/08	17,918,001
Forecast Interim Additions	396,337
Forecast Gross Salvage Value	901,939
Forecast Less Cost of Removal	1,803,878
Forecast Net Salvage Value	(901,939)
Forecast Total to be Recovered with COR	19,216,276
Forecast Total to be Recovered w/o COR	17,412,399
Accumulated Depreciation (2008 EOY)	(17,357,768)
Forecast Remaining Life Balance with COR	1,858,508
Forecast Remaining Life Balance w/o COR	54,631
Forecast Plant Balances	71,817,516
Remaining Life Rate with COR	2.59%
Remaining Life Rate w/o COR	0.08%

Black Hills Po Unit Property Unit Property	ower Depreciation I Steam Produc	Late Analysis ction, Osage Pl	ant	Cos Ret Ser	iross Salvage it of Removal Net Salvage Install Date irement Date rice Life, Yrs	5% 10% -5% 1953 2013 60							2008	
Historical and Account:	l Forecast Plan 311 Structure	t Additions & l s & Improvem	Balances ents	Initial F	lant Balance	0								
	[A]	[B]	[C]	[D]	(E)	[F]	[G]	[H]	[1]	[3]	[K]	[Ľ]	[M]	[N]
Line	Vintage Year	Vintage Age	T Beg Balance	Reported Pe ransaction Year Additions	r Books Retirements	Vintage Year Retirements	Adjustments to Ye Additions	Transaction ar Retirements	Adjusted Trans Additions	action Year Retirements	Transfers and Adjustments	Adjustments	EOY Plant Balan Per Books	ce Simulated
1	1953	60					2,046,367		2,046,367	· •		2,046,367	Here algo	2,046,367
2 3	1954 1955	59 58				107,853	26,060	6,246 6,307	26,060 26,313	6,246 6,307		2,066,181 2,086,187		2,066,181 2,086,187
4	1956 1957	57 56					26,568	6,368	26,568	6,368		2,106,387		2,106,387
6	1958	55				1,823	27,085	6,492	27,085	6,492		2,147,375		2,147,375
8	1959	53					27,347 27,612	6,555 6,618	27,347 27,612	6,555 6,618		2,168,168		2,168,108
9 10	1961 1962	52 51				432	27,879	6,682 6,747	27,879 28,149	6,682 6,747		2,210,358 2,231,760		2,210,358
11	1963	50					28,421	6,812	28,421	6,812		2,253,369		2,253,369
12	1965	49					28,697 28,974	6,878 6,945	28,697 28,974	6,878 6,945		2,275,188 2,297,217		2,275,188 2,297,217
14 15	1966 1967	47 46				1,657	29,255 29,538	7,012	29,255 29,538	7,012		2,319,461 2,341,919		2,319,461 2,341,919
16	1968	45	993997			an a	29,824	7,148	29,824	7,148		2,364,595	en en angel en se d'an tradadistria an se se	2,364,595
18	1970	43				2,521	30,405	7,287	30,405	7,287		2,410,608		2,410,608
19 20	1971 1972	42 41				5,973	30,699 30,996	7,358 7,429	30,699 30,996	7,358 7,429		2,433,948 2,457,515		2,433,948 2,457,515
21	1973	40					31,296	7,501	31,296	7,501		2,481,311		2,481,311
23	1975	38					31,905	7,647	31,905	7,647		2,529,594		2,529,594
24 25	1976 1977	37 36					32,214 32,526	7,721 7,796	32,214 32,526	7,721 7,796		2,554,088 2,578,818		2,554,088 2,578,818
26 27	1978	35 34				1,313	32,841	7,871	32,841	7,871		2,603,787		2,603,787
28	1980	33				459,599	33,480	8,025	33,480	8,025		2,654,455		2,654,455
29 30	1981	32					33,804 34,132	8,102 8,181	33,804 34,132	8,102 8,181		2,680,157 2,706,107		2,680,157 2,706,107
31 32	1983 1984	30 29				6,667	34,462 34,796	8,260 8,340	34,462 34,796	8,260 8,340		2,732,310 2,758,766		2,732,310 2,758,766
33	1985	28				79,664	35,133	8,421	35,133	8,421		2,785,478		2,785,478
34 35	1986	26					35,473	8,502 8,585	35,473	8,502 8,585		2,812,448 2,839,680		2,812,448 2,839,680
36 37	1988 1989	25 24	2.867.176	46.652		87,422	36,163	8,668	36,163	8,668		2,867,176	2.913.828	2,867,176 2,913,828
38	1990	23	4,0011170	103,313	2,194	10.010					(33,244)		2,981,703	2,981,703
.39 40	1991	22		37,851	12,666 39,067	18,717			a wata				3,006,888 3,115,561	3,006,888 3,115,561
41 42	1993 1994	20 19		501,546 1.337,983	22,370 29,747				501,546 1.337,983	22,370 29,747			3,594,737	3,594,737
43	1995	18		73,372					73,372				4,976,345	4,976,345
44	1996	16		7,898	9,057 521,670				7,898	9,057 521,670			4,975,185 4,453,515	4,975,185
46 47	1998 1999	15 14		4,369	136,832				4,369	136,832			4,321,052	4,321,052
48	2000	13							-	•			4,321,052	4,321,052
49 50	2001	12							*	-			4,321,052 4,321,052	4,321,052 4,321,052
51 52	2003 2004	10							-	-			4,321,052	4,321,052
53	2005	8							-	-	(57 373)		4,321,052	4,321,052
55	2006	6		128,368					128,368	-	(57,372) 104		4,263,680 4,392,152	4,263,680 4,392,152
56 57	2008 Total	5	\$ 2,867,176	\$ 2,389,091	\$ 773,603	\$ 773,642	\$ 3,125,928	\$ 258,753	\$ 5,179,464	s 978,429	\$ (90,512)	\$ 87,638,547	4,392,152 \$ 82,537,134	4,392,152 \$ 170,175,681
	Major Additio	ons/Retirements												
	1997			\$ 1337083	\$ 521,670									
-	Routine Activ	vity		\$ 1,051,108	\$ 251,933									
58 59	Historical In Forecast Int	merum Activity terim Activity		1.27% 0.50%	0.31%									
60	2009	4							21.961	13.406				4,400.706
61	2010	3							22,004	13,433				4,409,277
63	2011	1							22,046	13,485				4,417,865
64	2013	0							\$ 5,267,564	s 1,032,211	(4,426,469)			\$ 187,829,999
											Whole Life I	epreciation Rat	te Calculation	
												His	torical Additions	5,179,464
												r	Total Additions	5,267,564
												Gro Less	ss Salvage Value Cost of Removal	221,323 442,647
												N Tota	let Salvage Value	(221,323)
												Foreca	st Plant Balances	187,829,999
												Whole	Life Accrual Rate	2.92%
										Who	e Life Accrual	Cost of Remo Rate (Excluding	oval Accrual Rate Cost of Removal)	0.24% 3.16%
												Depreciable S	ervice Life, years	34.2
												Remaining Li	ife Depreciation I	Rate Calculation
												Account F	Balance 12/31/08 orecast Additions	4,392,152 88,100
												Gro	ss Salvage Value	221,323
												Less	let Salvage Value	(221,323)

A-4

Forecast Plant Balances

17,654,318

Black Hills Po	wer			G	ross Salvage	5%								
Unit Property	Depreciation R	ate Analysis		Cos	t of Removal Net Salvage	10% -5%								
Unit Property:	Steam Produc	tion, Osage Pla	ent	Pot	Install Date	1953							2008	
				Serv	ice Life, Yrs	60								
Historical and Account:	Forecast Plant 312 Boller Plan	Additions & B at Equipment	Balances	Initial P	lant Balance	0								
			101	100			101				100	<i>a</i> ,		
	[A]	[8]		[n]	(E)	[F]	(G)	[81]	[1]	[J]	[K]	[1.]	įmi	[N]
	Vintage	Vintage	T	Reported Pe	r Books	Vintage Vear	Adjustments to	o Transaction	Adjusted Transa	action Vear	Transfere and		EOY Plant Balar	ice
Line	Year	Age	Beg Balance	Additions 1	Retirements	Retirements	Additions	Retirements	Additions 1	Retirements	Adjustments	Adjustments	Per Books	Simulated
1	1953	60					3,705,569		3,705,569			3,705,569		3,705,569
2	1954	59				71,775	40,796	9,692	40,796	9,692		3,736,673		3,736,673
3	1955	58 57					41,138 41,483	9,774	41,138	9,774		3,768,037		3,799,665
5	1957	56					41,832	9,938	41,832	9,938		3,831,558		3,831,558
6	1958	55				762	42,183	10,022	42,183	10,022		3,863,719		3,863,719
8	1960	53					42,894	10,191	42,894	10,191		3,928,852		3,928,852
9	1961	52					43,254	10,276	43,254	10,276		3,961,830		3,961,830
10	1962	51					43,617	10,363	43,617	10,363		3,995,084		3,995,084
12	1964	49					44,352	10,537	44,352	10,537		4,062,432		4,062,432
13	1965	48					44,725	10,626	44,725	10,626		4,096,531		4,096,531
14	1960	47					45,100	10,715	45,478	10,715		4,165,590		4,165,590
16	1968	45					45,860	10,896	45,860	10,896		4,200,554		4,200,554
17	1969	44 43				12 642	46,245	10,987	46,245	10,987		4,235,812		4,235,812
19	1971	42				12,042	47,025	11,172	47,025	11,172		4,307,219		4,307,219
20	1972	41					47,419	11,266	47,419	11,266		4,343,372		4,343,372
21	1973	40					47,817 48,219	11,361	47,817 48,219	11,361		4,379,829		4,379,829
23	1975	38					48,624	11,552	48,624	11,552		4,453,663		4,453,663
24	1976	37				2 200	49,032	11,649	49,032	11,649		4,491,045		4,491,045
25	1978	35				2,200	49,858	11,747	49,858	11,845		4,566,755		4,566,755
27	1979	34				15,634	50,277	11,945	50,277	11,945		4,605,086		4,605,086
28 29	1980	33				2,000	50,699 51 124	12,045	50,699	12,045		4,643,740		4,643,740 4,682,718
30	1982	31				105,538	51,553	12,248	51,553	12,248		4,722,023		4,722,023
31	1983	30				20.266	51,986	12,351	51,986	12,351		4,761,658		4,761,658
32	1985	29				20,305	52,422	12,455	52,862	12,455		4,801,020		4,801,020
34	1986	27				2,304	53,306	12,665	53,306	12,665		4,882,571		4,882,571
35	1987	26 25				35.014	53,754	12,771	53,754 54 205	12,771		4,923,553		4,923,553
37	1989	24	4,964,880	34,880		55,011	57,405	12(070	21,202	12,010		100 1000	4,999,760	4,999,760
38	1990	23		156,910							(20,450)	5,136,211	5,136,211
39 40	1991	22		47,052 841,359	25,267 53,757	4,058							5,945,599	5,945,599
41	1993	20		1,183,608	39,065	79,448			1,183,608	39,065			7,090,142	7,090,142
42	1994	19		71 756	7 500				31 356	7 500			7,090,142	7,090,142
44	1996	17		26,378	106,337				26,378	106,337			7,034,040	7,034,040
45	1997	16		55,404	9,642				55,404	9,642	211		7,080,013	7,080,013
40	1998	15		24,743	8,500				24,743	8.500			7,080,013	7,080,013
48	2000	13			.,				-	-			7,096,256	7,096,256
49	2001	12		21 191	56 749				31 181	56 748			7,096,256	7,096,256
51	2002	10		21,101	00,240				-	-			7,071,189	7,071,189
52	2004	9		71,202	4,784				71,202	4,784			7,137,607	7,137,607
53 54	2005	8		25,951	7,626				25,951	7,626	35.344		7,155,932	7,155,932
55	2007	6		142,490	35,014				142,490	35,014	(234	l)	7,298,517	7,298,517
56 57	2008 Total	5	\$ 4 964 880	\$ 2672515	\$ 353 740	\$ 353.74(\$ 5357305	\$ 392.425	5 6.949.619	5 667,141	\$ 14.862	\$154,995,955	7,298,517 \$ 135,240,911	7,298,517
					,		-,,,,,,,,,				.,			
	Major Additio 1993	ns/Retirements		\$ 1,183,608										
58 59	Routine Activ Historical In Forecast Inte	ity iterim Activity erim Activity		\$ 1,488,907 1.10% 0.50%	\$ 353,740 0.26% 0.26%	6								
60	2009	4							36.493	19.090				7 315.920
61	2010	3							36,580	19,136				7,333,364
62	2011	2							36,667	19,181				7,350,849
64	2012	0							30,734	19,227	(7,368,37	5)		7,308,370
									\$ 7,096,112	\$ 743,775	-			\$ 319,605,374
											Whole Life	Depreciation R	ate Calculation	
												н	istorical Addition	s 6,949,619
													Total Addition	is 7,096,112
												G	oss Salvage Valu	e 368,419
												Le	ss Cost of Remov Net Salvage Valu	ai 736,838 ie (368,419)
												To	al to be Recovered	xd 7,464,531
												Fore	cast Plant Balance	319,605,374
												Whole	Life Accrual Ra	le 2.34%

 Whole Life Accrual Rate
 2.34%

 Cost of Removal Accrual Rate
 0.23%

 Whole Life Accrual Rate (Excluding Cost of Removal)
 2.57%

Depreciable Service Life, years 42.8

Remaining Life Depreciation Rate Calculation Account Balance 12/31/08 7,298,517

,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
146,493
368,419
736,838
(368,419)

Forecast Plant Balances 29,368,509

Black Hills Pc Unit Property Unit Property	ower y Depreciation I y: Steam Produ	Rate Analysis ction, Osage P	lant	Gi Cost Retii Servi	ross Salvage of Removal Net Salvage Install Date rement Date ice Life, Yrs	5% 10% -5% 1953 2013 60							2008	
Historical and Account:	d Forecast Plan 314 Turbogen	t Additions & erator Equipn	Balances nent	Initial Pl	ant Balance	0								
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	(H)	[11]	[J]	[K]	[L]	[M]	[N]
	Vintage	Vintage	Tr	Reported Per ansaction Year	Books	Vintage Year	Adjustments t Ye	o Transaction ar	Adjusted Trans	action Year	Transfers and	. 1	EOY Plant Balanc	ce
Line	Year	Age	Beg Balance	Additions F	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
1	1953 1954	60 59				66,690	2,661.025 18,400	4,552	2,661,025 18,400	4,552		2,661,025 2,674,872		2,661,025 2,674,872
3 4	1955 1956	58 57					18,495 18,592	4,576	18,495 18,592	4,576 4,600		2,688,791 2,702,783		2,688,791 2,702,783
5	1957 1958	56 55					18,688	4,624 4,648	18,688 18,786	4,624 4,648		2,716,848 2,730,985		2,716,848 2,730,985
7	1959	54					18,883	4,672	18,883	4,672		2,745,197		2,745,197
8 9	1960	52					18,982	4,696	18,982	4,090		2,759,482		2,773,841
10	1962	51					19,180	4,745	19,180	4,745		2,788,276		2,788,276
12	1963	49					19,380	4,795	19,380	4,795		2,817,370		2,817,370
13	1965	48					19,481	4,820 4,845	19,481 19,582	4,820 4,845		2,832,031 2,846,768		2,832,031 2,846,768
15	1967	46					19,684	4,870	19,684	4,870		2,861,582		2,861,582
16 17	1968 1969		nterna en la marina en la	a a ann anns ann stàitean a	Construction of the statement		19,786 19,889	4,896 4,921	19,786	4,896 4,921	ana baharan ayan baha	2,876,473		2,876,473 2,891,441
18	1970	43					19,993	4,947	19,993	4,947		2,906,487		2,906,487
20	1971	42 41					20,097	4,972	20,097	4,972		2,921,612		2,936,815
21	1973	40					20,307	5,024	20,307	5,024		2,952,098		2,952,098
23	1974	38					20,412	5,077	20,519	5,077		2,982,901		2,982,901
24	1976	37					20,625	5,103	20,625	5,103 5,130		2,998,424		2,998,424
26	1978	35					20,841	5,156	20,841	5,156		3,029,711		3,029,711
27 28	1979	34 33				43,235	20,949 21.058	5,183 5,210	20,949 21.058	5,183 5,210		3,045,477 3.061.324		3,045,477 3,061,324
29	1981	32					21,168	5,237	21,168	5,237		3,077,255		3,077,255
30 31	1982 1983	31 30					21,278 21,388	5,265	21,278 21,388	5,265 5,292		3,093,268 3,109,364		3,109,364
32	1984	29				3,758	21,500	5,319	21,500	5,319		3,125,545		3,125,545
33	1985	28				4,843	21,012	5,375	21,724	5,375		3,158,158		3,158,158
35	1987	26					21,837	5,403 5,431	21,837 21,951	5,403 5,431		3,174,593		3,174,593
37	1989	24	3,191,112	112,899	21,617	500	-1,751	6,151	21,101	2,121		5,,	3,282,394	3,282,394
38 39	1990 1991	23 22		211,355	21,617 26,799						33,244		3,505,375 3,478,576	3,505,375 3,478,576
40	1992	21		195,001	45,891	5,500							3,627,686	3,627,686
41 42	1993 1994	20 19		747,773		1,701			747,773				4,375,458 4,375,458	4,375,458 4,375,458
43	1995	18							•	-			4,375,458	4,375,458
44 45	1996	16		32,618	7,929	17,285			32,618	7,929			4,375,458	4,375,438 4,400,147
46	1998	15							:	-			4,400,147	4,400,147
48	2000	13							-	-			4,400,147	4,400,147
49 50	2001	12		11,637					11,637	•			4,411,785 4,411,785	4,411,785 4,411,785
51	2003	10							-	-			4,411,785	4,411,785
52 53	2004 2005	9 8		8,524	3,081				8,524	3,081			4,411,785 4,417,227	4,411,785 4,417,227
54	2006	7		10,627	17.000				10,627	-	(107,873)		4,319,981	4,319,981
55	2007	6 5		313,906	17,285				313,906		20		4,502,953	4,502,953
57	Total		\$ 3,191,112	\$ 1,644,575	\$ 144,220	\$ 144,219	\$ 3,365,384	\$ 174,272	\$ 4,490,705	\$ 202,567	\$ (74,610)	\$105,057,990	\$ 84,300,612	\$ 189,358,601
	Major Additi	ons/Retirement	s											
	1993			\$ 747,773 \$ 313,906										
50	Routine Activ	vity		\$ 582,897	\$ 144,220									
59	Forecast In	terim Activity	1	0.69%	0.17%	,								
60	2009	4							31,923	7.898				4.640.883
61	2010	3							32,089	7,940				4,665,033
62 63	2011 2012	2							32,256 32,424	7,981 8,022				4,689,309 4,713,711
64	2013	0							5 4 610 308	\$ 234 408	(4,713,711)		-	\$ 208 067 527
									• •,••,••,•	J 201,100				÷ 200,001,007
											Whole Life D	epreciation Ra His	e Calculation torical Additions	4,490,705
												F	Total Additions	128,693
												Gro	ss Salvage Value	235,686
												Less	Cost of Removal let Salvage Value	471,371 (235,686)
												Tota	I to be Recovered	4,855,084
												Foreca	st Plant Balances	208,067,537
												Whole	Life Accrual Rate	2.33%
										347bol	a life Accessed	Cost of Rem	oval Accrual Rate	0.23%
										110	e Late Accidan	Depreciable S	ervice Life, years	42.9
												Remaining 1	fe Depreciation 1	late Calculation
												Account	Balance 12/31/08	4,616,858
												F Gro	orecast Additions oss Salvage Value	128,693 235,686
												Less የ	Cost of Removal let Salvage Value	471,371 (235,686)

Forecast Plant Balances 18,708,936

Black Hills Po	wer				Gross Salvage	5%								
Unit Property	Depreciation R	ate Analysis		C.	Net Salvage	-5%								
Unit Property	: Steam Product	tion, Osage Plar	at	R	Install Date etirement Date	1953 2013							2008	
Weteriaal	Foresat Blant	Additions P. D.	lones	Se	rvice Life, Yrs	60								
Account:	315 Accessory	Electric Equip	nent	Initia	Plant Balance	Ð								
	[A]	[B]	(C)	[D]	(E)	F	[G]	(H)	(II)	[J]	[K]	[L]	[M]	[N]
r	1	r		Perorted P	ar Books	·····	A divermente to	Transaction				r	FOV Plant Balance	
Line	Vintage Year	Vintage Age	Tra Beg Balance	Additions	Retirements	Vintage Year Retirements	Additions	Retirements	Adjusted Tran Additions	saction Year Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated
1	1953	60					348.629		348,629			348,629		348,629
2	1954	59 58					1,215	453	1,215	453		349,391		349,391
4	1956	57					1,218	455	1,218	455		350,920		350,920
5	1957	56 55					1,223	456	1,223	456 457		351,687 352,456		351,687
7	1959	54					1,229	458	1,229	458		353,226		353,226
8	1960 1961	53 52					1,232 1,234	459 460	1,232 1,234	459 460		353,998 354,772		353,998 354,772
10	1962	51					1,237	461	1,237	461		355,548		355,548
12	1963	49					1,240	463	1,240	462		357,104		357,104
13	1965	48 47					1,245	464	1,245	464		357,884		357,884
15	1967	46					1,250	466	1,250	466		359,450		359,450
16 17	1968 1969	45 44					1,253 1,256	468 469	1,253	468 469		360,236 361,024		360,236 361,024
18	1970	43					1,259	470	1,259	470		361,813		361,813
20	1971	42 41					1,261	4/1 472	1,261	471 472		363,396		363,396
21	1973	40					1,267	473 474	1,267	473 474		364,191		364,191
22	1975	38					1,273	475	1,273	475		365,784		365,784
24 25	1976 1977	37					1,275	476 477	1,275	476 477		366,584 367,385		366,584 367,385
26	1978	35					1,281	478	1,281	478		368,188		368,188
27 28	1979 1980	34 33					1,284 1,286	479 480	1,284	479		368,993 369,800		369,800
29	1981	32					1,289	481	1,289	481		370,608		370,608
30	1982	30					1,292	482	1,292	482		372,230		372,230
32	1984	29					1,298	484	1,298	484		373,044		373,044
34	1985	27					1,303	486	1,303	486		374,676		374,676
35 36	1987 1988	26 25					1,306 1,309	487 488	1,306 1,309	487 488		375,495 376,316		375,495 376,316
37	1989	24	376,316				.,		•	-			376,316	376,316
38 39	1990 1991	23 22							·	-			376,316 376,316	376,316
40	1992	21		5,676					5,676	-			381,992	381,992
41	1993	19		106,//2									490,763	490,763
43	1995	18		10.760					10 760				490,763 501 524	490,763 501 524
45	1997	16		10,700						-			501,524	501,524
46 47	1998 1999	15		20,127		19,982			20,127	:	359,680 162,486		881,330 1,043,817	881,330 1,043,817
48	2000	13							-	-			1,043,817	1,043,817
49 50	2001	12		6,817					6,817	-	1,649	,	1,052,282	1,052,282
51	2003	10							-	-	167	,	1,052,282 1,052,450	1,052,282
53	2005	8		10,184	19,982				10,184	19,982			1,042,652	1,042,652
54 55	2006 2007	7							-	-	12,236)	1,054,888 1,054,888	1,054,888
56 57	2008 Total	5	\$ 376,316	\$ 162,336	\$ 19,982	\$ 19,982	\$ 392,790	\$ 16,474	\$ 555,126	\$ 36,450	5 \$ 536,218	\$ 13,042,842	1,054,888 \$ 15,363,388	1,054,888 \$ 28,406,230
	Major Additio	ns/Retirements		. 100 670										
	1993			\$ 108,772										
58	Routine Activ Historical In	ity iterim Activity		\$ 53,564 0.35%	\$ 19,982									
59	Forecast Int	erim Activity		0.35%	0.13%	3								
60 61	2009	4							3,678 3,686	1,37	2 5			1,057,194 1,059,504
62	2011	2							3,694	1,37	8			1,061,820
63 64	2012 2013	1							3,702	1,38	1 (1,064,14	1)		1,064,141
									\$ 569,886	S 41,96	2			\$ 32,648,890
											Whole Life	Depreciation Ra I	te Calculation listorical Additions	555,126
													Forecast Additions Total Additions	14,760 569,886
												G	ross Salvage Value	53,207
												Le	ss Cost of Removal Net Salvage Value	(53,207)
												То	tal to be Recovered	623,093
												Fore	cast Plant Balances	32,648,890
											Illanda T IC - 1	Who Cost of Re	te Lite Accrual Rate moval Accrual Rate	1.91% 0.33%
										Ň	whole Life Accr	Depreciable	e Service Life, years	52.4
												Remaining I	life Depreciation F	late Calculation
												Accou	Forecast Additions	1,054,888
												0	Fross Salvage Value	53,207
												2	Net Salvage Value	(53,207)

Forecast Plant Balances 4,242,660

Black Hills Pov	wer			G	ross Salvage	5%								
Unit Property) Unit Property:	Depreciation Re Steam Product	ate Analysis ion, Osage Pla	nt	Ret	Net Salvage Install Date irement Date	10% -5% 1953 - 2013							2008	
Historical and	Forecast Plant	Additions & B	alances	Serv Teitial I	ice Life, Yrs	60								
Account.	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[11]	[1]	[J]	[K]	[L]	[M]	[N]
	T		<u> </u>	Reported Per	Books		Adjustments	to Transaction					EOY Plant Balan	ce la
Line	Vintage Year	Vintage Age	Beg Balance	Transaction Year Additions F	Retirements	Vintage Year Retirements	Ye Additions	ear Retirements	Adjusted Tran Additions	saction Year Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated
1	1953	60					132,992		132,992			132,992		132,992
. 3	1954	59				39,210	2,462	308	2,462	308		135,146 137,335		135,146
4 . 5 .	1956	57					2,542	318	2,542	318		139,559		139,559
6	1958	55					2,625	328	2,625	328		144,116		144,116
8	1959	54 53					2,668 2,711	334 339	2,668	334 339		146,449 148,821		146,449 148,821
9	1961	52					2,755	345	2,755	345		151,231		151,231
11	1962	50					2,799	350	2,799	356		155,680		156,169
12	1964 1965	49 48					2,891	362 367	2,891 2,937	362 367		158,698 161,268		158,698
14	1966	47					2,985	373	2,985	373		163,880		163,880
15	1967	46 45					3,033 3,083	379 386	3,033 3,083	379 386		166,534		166,534 169,231
17	1969	44 42					3,132	392	3,132	392 308		171,972	in the constant of the part of	171,972
19	1971	43				438	3,235	405	3,235	405		177,587		177,587
20	1972	41				300	3,287 3.340	411 418	3,287 3,340	411 418		180,463		180,463 183,385
22	1974	39					3,394	425	3,394	425		186,355		186,355
23	1975	.38 37					3,449	431	3,449	431		189,373		199,373
25 26	1977	36				133	3,562	446 453	3,562	446 453		195,556		195,556
27	1979	34				1,850	3,678	460	3,678	460		201,942		201,942
28 29	1980 1981	33 32				3,043	3,738 3,798	468 475	3,738 3,798	468 475		205,212 208,535		205,212 208,535
30	1982	31					3,860	483	3,860	483		211,912		211,912
32	1984	29					3,986	491	3,986	499		213,344		218,832
33 34	1985 1986	28 27				511	4,051 4,116	507 515	4,051 4,116	507 515		222,376 225.977		222,376 225,977
35	1987	26					4,183	523	4,183	523		229,637		229,637
36 37	1988 1989	25 24	233,355	16,456		6,495	4,251	532	4,251	532		233,355	249,811	233,355 249,811
38	1990	23		22,924	36,023						04 499		236,712	236,712
40	1992	21		12,911	5,058						20,488		353,150	353,150
41 42	1993 1994	20 19		14,373 5,898					14,373 5,898	-			367,523 373,421	367,523 373,421
43	1995	18		4,964					4,964	-			378, 386	378,386
44	1996	17			7,352				-	7,352	101,391		479,777 472,425	479,777 472,425
46	1998	15	*	7,941 947		3,033			7,941 947				480,366	480,366
48	2000	13		1,825					1,825	-	5,729		488,868	488,868
49 50	2001	12		3,738 22,539					22,539	· -			492,605	492,605 515,144
51	2003	10		6 707	6 4 9 5				6 797	6 495			515,144	515,144
53	2005	8		2,502	0,155				2,502		· · · ·		517,449	517,449
54 55	2006	76		21,870 4,128	3,033				21,870 4,128	3,033	(88,392)		450,927 452,022	450,927 452,022
56 57	2008 Total	5	\$ 233,355	\$ 159,411 \$	55.961	\$ 55,961	\$ 247,703	\$ 14,347	\$ 344.726	\$ 31,227	\$ 115.217	\$ 6,430,662	452,022 \$ 8,612,253	452,022 \$ 15.042,915
	Major Addition	15/Retirements											,	
	1990 Reusia			5	36,023									
58 59	Historical Inter Forecast Inter	ty erim Activity rim Activity		5 159,411 5 1.85% 1.00%	0.23%									
60	2009	4							4,520	1,046				455,496
61 62	2010 2011	3 2							4,555 4,590	1,055 1,063				458,996 462,524
63	2012	1							4,625	1,071	(466 078)			466,078
04	2013	U							\$ 363,016	\$ 35,462	- (+00,078)		-	\$ 16,886,009
											Whole Life D	epreciation Rate	e Calculation	
												Hi F	storical Additions	344,726 18 290
													Total Additions	363,016
												Gro Les	s Cost of Removal	23,304 46,608
												i Totz	vet Salvage Value Il to be Recovered	(23,304) 386,320
												Forec	ast Plant Balances	16,886,009
												Whole Cost of Rem	Life Accrual Rate toval Accrual Rate	2.29% 0.28%
										W	iole Life Accrual	i Rate (Excluding Depreciable :	; Cost of Removal) Service Life, years	43.7

Remaining Life Depreciation Rate	alculation
Account Balance 12/31/08	452,022
Forecast Additions	18,290
Gross Salvage Value	23,304
Less Cost of Removal	46,608
Net Salvage Value	(23,304
Forecast Plant Balances	1,843,094
Summary by Plant Black Hills Power **Ben French Facility**

		Direct Investment	Depreciation
Account	Description	2008\$	Rate
310	Land		
311	Structure & Improvements	2,119,670	2.68%
312	Boiler Plant Equipment	6,403,948	3.90%
313	Engines & Engine Driven Generators	0	0.00%
314	Turbo Generator Equipment	3,105,937	3.46%
315	Accessory Electric Equipment	747,759	2.24%
316	Misc Power Equipment	459,835	3.78%

Total

12,837,149 3.49% whole life weighted average rate

Per Books Balance 12/31/08	13,360,210
Forecast Interim Additions	7,221,185
Forecast Gross Salvage Value	966,460
Forecast Less Cost of Removal	1,932,919
Forecast Net Salvage Value	(966,460)
Forecast Total to be Recovered with COR	21,547,854
Forecast Total to be Recovered w/o COR	19,614,935
Accumulated Depreciation (2008 EOY)	(13,050,958)
Forecast Remaining Life Balance with COR	8,496,897
Forecast Remaining Life Balance w/o COR	6,563,977
Forecast Plant Balances	234,568,689
Remaining Life Rate with COR	3.62%
Remaining Life Rate w/o COR	2.80%

Black Hills	Power	Gross Salvage	5%
		Cost of Removal	10%
Unit Prope	rty Depreciation Rate Analysis	Net Salvage	-5%
Unit Prope	rty: Steam Production, Ben French Plant	Install Date	1960
		Retirement Date	2023
		Service Life, Yrs	63
Historical a	nd Forecast Plant Additions & Balances		
Account:	311 Structures & Improvements	Initial Plant Balance	0

	[A]	[B]	[C]	[D]	[E]	(F)	[G]	[H]	[1]	[3]	[K]	[L]	[M]	[N]
r		1	1	Reported	Per Books		Adjustments	to Transaction	[EOY Plant Balance			ance
	Vintage	Vintage		Fransaction Yea	u .	Vintage Year	Y	ar	Adjusted Tra	insaction Year	Transfers and			
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
1	1960	63		1			1.645.152		1.645.152			1.645 152		1.645.15
2	1961	62					18.125	7 282	18,125	7.282		1.655.995		1,655,99
3	1962	61				110.466	18 245	7.330	18 245	7,330		1.666.911		1.666.91
4	1963	60					18,365	7,378	18,365	7.378		1,677,898		1,677,89
5	1964	59					18,486	7,426	18,486	7,426		1,688,957		1,688,95
6	. 1965						18,608	7,475	18,608	7,475		1,700,090	e la statut	1,700,09
7	1966	57					18,731	7,525	18,731	7,525		1,711,296		1,711,29
8	1967	56					18,854	7,574	18,854	7,574		1,722,576		1,722,57
9	1968	-55					18,978	7,624	18,978	7,624		1,733,930		1,733,93
10	1969	54					19,103	7,674	19,103	7,674		1,745,359		1,745,35
11	1970	- 53					19,229	7,725	19,229	7,725		1,756,863		1,756,80
12	1971	52				567	19,356	7,776	19,356	7,776		1,768,443		1,768,44
13	1972	51					19,484	7,827	19,484	7,827		1,780,099		1,780,09
14	1973	50					19,612	7,879	19,612	7,879		1,791,832		1,791,83
15	1974	49					19,741	7,931	19,741	7,931		1,803,643		1,803,64
16	1975	48					19,871	7,983	19,871	7,983		1,815,531		1,815,53
17	1976	47					20,002	8,036	20,002	8,036		1,827,498		1,827,4
18	1977	46					20,134	8,089	20,134	8,089	1000 000000000000000000000000000000000	1,839,544		1,839,54
19	1978	45			,		20,267	8,142	20,267	8,142		1,851,669		1,851,60
20	1979	44					20,401	8,196	20,401	8,196		1,863,874		1,863,8
21	1980	43				16,059	20,535	8,250	20,535	8,250		1,876,159		1,876,1
22	1981	42				7,135	20,670	8,304	20,670	8,304		1,888,526		1,888,5
23	1982	41				3,853	20,807	8,359	20,807	8,359		1,900,974		1,900,91
24	1983	40					20,944	8,414	20,944	8,414		1,913,504		1,913,50
25	1984	39				-	21,082	8,469	21,082	8,469		1,926,116		1,926,11
26	1985	38					21,221	8,525	21,221	8,525		1,938,812		1,938,8
27	1986	37				3,566	21,361	8,581	21,361	8,581		1,951,591		1,951,5
28	1987	30				20.200	21,501	8,038	21,501	8,638		1,964,455		1,904,4
29	1988	35	1 077 403	0.166	567	39,280	21,643	8,095	21,643	8,695		1,977,403	1 094 003	1,977,46
30	1969	34	1,977,405	9,130	24 000				9,130	74 000			1,763,992	1,703,7
31	1990	33		5,455	19 000				5,455	34,000			1,255,445	1,005 3/
32	1991	32		37,004	3018				22 045	10,022			7 024 334	2 024 3
24	1003	30		42 520	64 172				42 570	64 177			2,023,004	2,007,6
35	1994	20		- 60 359	04,172				60 359	G-6,172			2,063,050	2,002,0
36	1995	29		4810					4 810	_			2 067 860	2 067 8
37	1996	20		78,597	1 265				78 597	1 265			2,145,193	2,145,1
18	1997	26		10,211	1,200				10,551	1,000	(135 790)		2.009.403	2.009.4
39	1998	25									(150,770)		2.009.403	2.009.4
40	1999	24							-	-			2,009,403	2.009.4
41	2000	23							-	-			2,009,403	2,009,4
42	2001	22								-			2,009,403	2,009,4
43	2002	21		25,330	16,750				25,330	16,750			2,017,982	2,017,9
44	2003	20		12,030					12,030	-			2,030,013	2,030,0
45	2004	19		100,652	43,133				100,652	43,133			2,087,532	2,087,5
46	2005	18		8,946					8,946	-			2,096,478	2,096,4
47	2006	17		14,576					14,576	-	8,617		2,119,670	2,119,6
48	2007	16							-	-			2,119,670	2,119,6
49	2008	15			- 21					-			2,119,670	2,119,6
50	Total		\$ 1,977,403	\$ 450,368	\$ 180,927	\$ 180,926	\$ 2,200,508	\$ 223,105	\$ 2,650,876	\$ 404,032	\$ (127,173)	\$ 52,384,699	\$ 40,877,900	\$ 93,262,5
					0	$(1,1) \in \mathbb{R}^{n}$	·. ·							
	Major Additions/Retiren	nents											١	

	Routine Activity			\$ 450,368	0 4 407										
21	Historical Interim Activity			1,10%	0.44%										
52	Forecast Interim Activity			1.10%	0.44%										
53	2009	14									23,353	9,382			2,133,642
54	2010	13									23,507	9,444			2,147,705
55	2011	12									23,662	9,506			2,161,862
56	2012	11									23,818	9,568			2,176,111
57	2013	10									23,975	9,632			2,190,455
58	2014	9									24,133	9,695			2,204,893
59	2015	8									24,292	9,759			2,219,426
60	2016	7									24,452	9,823			2,234,055
61	2017	6									24,613	9,888			2,248,780
62	2018	5									24,776	9,953			2,263,603
63	2019	4									24,939	10,019			2,278,523
64	2020	3									25,103	10,085			2,293,541
65	2021	2									25,269	10,151			2,308,659
66	2022	1									25,435	10,218			2,323,876
67	2023	0											(2,323,876)		•
			\$ 1,977,403	\$ 450,368	\$ 180,927	S	180,926	5	2,200,508	\$ 223,105	\$ 2,992,205 \$	541,155	\$ (2,451,049)	S	124,447,729

Whole Life Depreciation Rate Calculation	
Historical Additions	2,650,876
Forecast Additions	341,329
Total Additions	2,992,205

Gross Salvage Value	116,194
Less Cost of Removal	232,388
Net Salvage Value	(116,194)
Total to be Recovered	3,108,398
Forecast Plant Balances	124,447,729
Whole Life Accrual Rate	2.50%
Cost of Removal Accrual Rate	0.19%

Whole Life Accrual Rate (Excluding Cost of Removal) 2.68% 40.0

Depreciable Service Life, years

Remaining Life Depreclation Rate	Calculation
Account Balance - 12/31/08	2,119,670
Forecast Additions	341,329
Gross Salvage Value	116,194
Less Cost of Removal	232,388
Net Salvage Value	(116,194)

31,185,130 Forecast Plant Balances



Black Hills P	ower			(Ca	Gross Salvage	5%								
Unit Property Unit Property	Depreciation R Steam Produc	ate Analysis tion, Ben Fren	ch Piant	Re	Net Salvage Install Date tirement Date	-5% 1960 2023							2008	
Historical and Account:	I Forecast Plant 312 Boiler Pla	Additions & B	alances	Initial	Plant Balance	. 0								
	[A]	(B)	[C]	[D]	[E]	(F)	[G]	[H]	[1]	[J]	[K]	[L]	[M]	[N]
	15.4.5	15	Ţ	Reported Po	r Books		Adjustments to	Transaction			m C		EOY Plant Balan	ce
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	r Retirements	Adjusted 17an Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
1 2	1960 1961	63 62				2,500	3,820,187 52,984	12.641	3,820,187 52,984	12,641		3,820,187 3,860,530		3,820,187 3,860,530
3 4	1962 1963	61 60				39,889	53,544 54,109	12,774	53,544 54,109	12,774 12,909		3,901,299 3,942,499		3,901,299 3,942,499
5 6	1964 1965	59 58					54,681 55,258	13,046 13,183	54,681 55,258	13,046 13,183		3,984,134 4,026,209		3,984,134 4,026,209
7 8	1966 1967	57 56					55,842 56,431	13,323 13,463	55,842 56,431	13,323 13,463		4,068,728 4,111,696		4,068,728 4,111,696
9 10	1968 1969	55 54					57,027 57,630	13,605 13,749	57,027 57,630	13,605 13,749		4,155,118 4,198,999		4,155,118 4,198,999
11	1970	53 52					58,238 58,853	13,894	58,238	13,894		4,243,343		4,243,343 4,288,155
13	1972	51					59,475	14,189	59,475 60 103	14,189		4,333,440		4,333,440
15	1975	49					60,738	14,491	60,738	14,491		4,425,451		4,425,451
17	1975	47					62,027	14,798	62,027	14,798		4,519,415		4,519,415
18	1978	45				6 000	63,344	15,113	63,344	15,113		4,615,374		4,615,374
20	1979	44				98,487	64,689	15,272	64,689	15,433		4,004,115		4,004,115
22 23	1981	42 41				32,549 12,941	65,372 66,063	15,596	65,372 66,063	15,596		4,763,147 4,813,448		4,763,147 4,813,448
24 25	1983 1984	40 39					66,760 67,465	15,928 16,096	66,760 67,465	15,928 16,096		4,864,281 4,915,651		4,864,281 4,915,651
26 27	1985 1986	38 37					68,178 68,898	16,266 16,437	68,178 68,898	16,266 16,437		4,967,563 5,020,023		4,967,563 5,020,023
28 29	1987 1988	36 35				72,919	69,625 70,361	16,611 16,787	69,625 70,361	16,611 16,787		5,073,037 5,126,612		5,073,037 5,126,612
30 31	1989 1990	34 33	5,126,612	37,022 52,835	9,353	29,189			37,022 52,835	9,353			5,163,634 5,207,115	5,163,634 5,207,115
32 33	1991 1992	32 31		15,092 148,634	133,732	41.778			15,092 148.634	133,732	4,701		5,222,208 5,241,811	5,222,208 5,241,811
34	1993	30		21,689	2 ()92				21,689	2 092			5,263,500	5,263,500
36 37	1995	28		129,310	7,100	35,265	i		129,310	7,100			5,419,199	5,419,199
38	1990	26		11,134					11,134	-	74,036		5,504,369	5,504,369
39 40	1998	25 24		26,381	8,000				26,381	8,000	(70.002		5,580,320	5,580,320
41 42	2000	23		271,830	28,500				2/1,830	28,500	(79,802)	5,743,848	5,743,848
43 44	2002 2003	21 20		19,484					19,484	-			5,763,332 5,763,332	5,763,332 5,763,332
45 46	2004 2005	19 18		89,039 22,792	41,778 3,588				89,039 22,792	41,778 3,588			5,810,593 5,829,796	5,810,593 5,829,796
47 48	2006 2007	17 16		230,602 205,698	72,919 29,189				230,602 205,698	72,919 29,189	92,704		6,080,183 6,256,691	6,080,183 6,256,691
49 50	2008 Total	15	\$ 5,126,612	182,522 2 \$ 1,557,214	35,265 \$ 371,517	\$ 371,51	7 \$ 5,535,956	\$ 409,345	182.522 \$ 7,093,171	35,265 \$ 780,861	\$ 91,639	\$ 128,834,355	6,403,948 \$ 112,275,853	6,403,948 \$ 241,110,208
	Major Additio	ons/Retirements	i											
51 52	Routine Activ Historical Forecast L	ity Interim Activity nterim Activity	у	\$ 1,557,214 1.39% 1.39%	0.339	6 /6								
53	2009	14							88,820 89,758	21,190				6,471,577
55	2010	12							1,990,706	21,640				8,508,986
56 57	2012	10							119,262	28,45				8,689,655
58 59	2014	8							120,522	29,05				8,781,422 8,874,159
60 61	2016 2017	7 6							2,272,757	29,364 36,788	5 3			11,117,552
62 63	2018 2019	5 4							155,824 157,469	37,17	5			11,353,607 11,473,508
64 65	2020 2021	3 2							159,132 160,813	37,96; 38,36	5			11,594,674 11,717,121
66 67	2022 2023	1 0							162,511	38,77	2 (11,840,86))		11,840,860
									\$ 12,964,749	\$ 1,215,52	T			\$ 377,907,055
											Whole Life	Depreciation R	ate Calculation Historical Additio	ons 7,093,171
													Forecast Addition Total Addition	ons 5,871,578 ons 12,964,749
												L	iross Salvage Va ess Cost of Remo	ue 592,043 val <u>1,184,086</u>
												т	Net Salvage Val otal to be Recover	red 13,556,792
												For	ecast Plant Balan	ces 377,907,055
										v	/hole Life Accn	Who Cost of R ual Rate (Exclud	ole Life Accrual R emoval Accrual R ing Cost of Remo	ate 3.59% (ate 0.31%) (val) 3.90%
												Depreciab	e Service Life, ye	ars 27.9
												Remaining	Life Depreciatio	n Rate Calculation
												Accon	int Balance 12/31 Forecast Additi	/08 6,403,948 ons 5,871,578
												I	Gross Salvage Va .ess Cost of Remo	lue 592,043 oval 1,184.086
													Net Salvage Va	lue (592,043)
							A 44					Fo	recast Plant Balan	ces 136,796,847

,

Black Hills Po	ower			C	Gross Salvage lost of Removal	5% 10%								
Unit Property Unit Property	Depreciation R Steam Product	ate Analysis tion, Ben French	n Plant	I	Net Salvage Install Date Retirement Date	-5% 1960 2023							2008	
Historical and Account:	l Forecast Plant 314 Turbogene	Additions & Ba rrator Equipment	lances nt	S Initia	ervice Life, Yrs al Plant Balance	63 U								
	[A]	[B]	(C)	[D]	[E]	[F]	G	[8]	[1]	[1]	[K]	[L.]	[M]	[N]
Line	Vintage Year	Vintage Age	Beg Balance	Reported Transaction Year Additions	Per Books Retirements	Vintage Year Retirements	Adjustments to Ye Additions	D Transaction ar Retirements	Adjusted Trans Additions	saction Year Retirements	Transfers and Adjustments	I Adjustments	OY Plant Balance Per Books	Simulated
1	1960	63				-	1,247.946		1,247,946	• 200		1,247,946		1,247,946
2	1961	62				43,500	19,893 20,172	2,399 2,432	19,893 20,172	2,399 2,432		1,265,440		1,265,440 1,283,180
4 5	1963 1964	60 .59					20,455	2,466	20,455 20,741	2,466 2,501		1,301,168		1,301,168
6	1965	58 57					21,032	2,536	21,032	2,536		1,337,905		1,337,905
8	1967	56					21,626	2,608	21,626	2,608		1,375,679		1,375,679
9 10	1968	55 54					21,929 22,237	2,644 2,681	21,929	2,644 2,681		1,394,964		1,394,964
11	1970	53 52					22,548	2,719	22,548	2,719		1,434,348 1,454,456		1,434,348
13	1972	51					23,185	2,796	23,185	2,796		1,474,845		1,474,845
14 15	1973 1974	50 49					23,510 23,840	2,835 2,875	23,510 23,840	2,835 2,875		1,495,520 1,516,485		1,495,520 1,516,485
16	1975	48 47		and a second second second		 1 commission conservation 	24,174	2,915	24,174	2,915	· · · · · · · · · · · · · · · · · · ·	1,537,744	and the second second	1,537,744
18	1977	46					24,856	2,997	24,856	2,997		1,581,160		1,581,160
19	1978	45					25,205	3,039	25,205	3,039		1,603,325		1,603,325
21	1980	43 42					25,916	3,125	25,916	3,125		1,648,593		1,648,593
23	1982	41					26,648	3,213	26,648	3,213		1,695,139		1,695,139
24 25	1983 1984	40 39					27,022 27,400	3,258 3,304	27,022 27,400	3,258		1,718,902		1,742,998
26 27	1985	38 37					27,784 28,174	3,350	27,784	3,350		1,767,433		1,767,433
28	1987	36					28,569	3,445	28,569	3,445		1,817,334		1,817,334
29 30	1988 1989	35 34	1,842,810			131,971	28,969	3,493	28,969	3,493		1,842,810	1,842,810	1,842,810
31 32	1990 1991	33 32		3,255 32,399	5,000				3,255 32,399	5,000			1,846,064 1,873,463	1,846,064 1,873,463
33	1992	31		124,888	20,000				124,888	20,000			1,978,351	1,978,351
34	1995	29		47,259	1,000				47,259	1,000			2,105,948	2,105,948
36 37	1995 1996	28 27		8,910					8,910	-			2,114,858 2,114,858	2,114,858 2,114,858
38	1997 1998	26 25								-			2,114,858 2,114,858	2,114,858 2,114,858
40	1999	24							-	-			2,114,858	2,114,858
41 42	2000	23								-			2,114,858	2,114,858
43 44	2002 2003	21 20		269,232					269,232	-			2,384,090 2,384,090	2,384,090 2,384,090
45	2004	19							-	-			2,384,090	2,384,090
40	2005	17							-	-			2,384,090	2,384,090
48 49	2007	16 15		116,549 778,336	41,066 131,971	41,066			116,549 778,336	41,066 131,971			2,459,572 3,105,937	2,459,572 3,105,937
50	Total		\$ 1,842,810	\$ 1,479,664	\$ 216,537	\$ 216,537	\$ 1,924,374	\$ 81,564	\$ 3,404,038	\$ 298,101	s -	\$ 44,276,978	\$ 43,996,286	88,273,263
	Major Additio 2008	ns/Retirements		\$ 778,336	\$ 131,971									
51 52	Routine Activi Historical	ity Interim Activity sterim Activity		\$ 701,329 1.59%	\$ 84,566 0.19%									
57	2000	14							49 511	5 970				3 140 477
53 54	2010	13							50,205	6,054				3,193,628
55 56	2011 2012	12							50,908	6,139				3,238,398 3,283,796
57	2013	10							52,346 53.080	6,312				3,329,830
59	2014	8							53,824	6,490				3,423,843
60 61	2016 2017	7 6							54,578 55,343	6,581 6,673				3,471,840 3,520,510
62 63	2018	5							56,119 56,906	6,767 6,862				3,569,862
64	2020	3							57,704	6,958				3,670,652
65 66	2021 2022	2							58,513 59,333	7,055 7,154				3,722,109 3,774,287
67	2023	0							\$ 4,164,028	\$ 389,741	(3,774,287)		s 136,617,911
											Whole Life I	Depreciation Ra	te Calculation	
												His Fi	storical Additions precast Additions	3,404,038 759,990
												Gro	Total Additions	4,164,028
												Less	Cost of Removal	377,429
												Tota	to be Recovered	4,352,743
												Foreca	st Plant Balances	136,617,911
										Who	le Life Accrual	Cost of Rem Rate (Excluding	Cost of Removal)	0.28% 3.46%
												Depreciable S	ervice Life, years	28.9
												Remaining I	ife Depreciation	Rate Calculation
			•									Account B F	alance - 12/31/08 orecast Additions	3,105,937 759,990
												Gro	ss Salvage Value	188.714 377 429
												N	let Salvage Value	(188,714)

 \bigcirc

Forecast Plant Balances 48,344,648

Black Hills Po	ower				Gross Salvage	5%								
Unit Property	y Depreciation R	ate Analysis		,	Net Salvage	-5%								
Unit Property	y: Steam Product	ion, Ben Frencl	h Plant		Install Date	1960							2008	
				I	Retirement Date	2023								
Historical and	d Forecast Plant .	Additions & Ba	lances	3	cavice the, 1 []	, 03								
Account:	315 Accessory	Electric Equipn	nent	Initi	al Plant Balance	a 0								
	[4]	1001	101	m	(P)	021	101		m	m	122)	I 1)	040	00
	1241	[44]		101	(E)	[r]	(0)	[0]	141	[4]	[K]	ini	[141]	րդ
				Reported	Per Books		Adjustments	to Transaction			1	E	OY Plant Balance	e
	Vintage	Vintage	T	ransaction Yea	r	Vintage Year	Y	ear	Adjusted Tra	nsaction Year	Transfers and			a
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
1	1960	63				899	423,745		423,745	-		423,745		423,745
2	1961	62					4,111	1,054	4,111	1,054		426,802		426,802
3	1962	61				1,750	4,141	1,061	4,141	1,061		429,882		429,882
4	1963	60 50					4,171	1,069	4,171	1,069		432,983		432,983
6	1965	58					4,201	1.085	4,231	1,085		439,254		439,254
7	1966	57				21,673	4,262	1,092	4,262	1,092		442,423		442,423
8	1967	56					4,292	1,100	4,292	1,100		445,615		445,615
9	1968	55					4,323	1,108	4,323	1,108		448,831		448,831
10	1969	53					4,355	1,110	4,335	1,110		455,331		455,331
12	1971	52					4,418	1,132	4,418	1,132		458,616		458,616
13	1972	51					4,449	1,141	4,449	1,141		461,925		461,925
14	1973	50					4,482	1,149	4,482	1,149		465,258		465,258
15	1974	49					4,514	1,157	4,514	1,157		408,615		468,615
10	1975	47					4,579	1,105	4,579	1,105		475.401		475,401
18	1977	46					4,612	1,182	4,612	1,182		478,831		478,831
19	1978	45					4,646	1,191	4,646	1,191		482,286		482,286
20	1979	44					4,679	1,199	4,679	1,199		485,766		485,766
21	1980	43					4,713	1,208	4,713	1,208		489,271		489,271
23	1982	41					4,781	1,226	4,781	1,226		496,356		496,356
24	1983	40					4,816	1,234	4,816	1,234		499,937		499,937
25	1984	39				20,735	4,850	1,243	4,850	1,243		503,545		503,545
26	1985	38					4,885	1,252	4,885	1,252		507,178		507,178
27	1986	37					4,921	1,201	4,921	1,201		510,837		510,837
29	1988	35					4,992	1,280	4,992	1,280		518,235		518,235
30	1989	34	518,235	28,699					28,699	-			546,934	546,934
31	1990	33							-				546,934	546,934
32	1991	32		5,697	(07				5,697	-			552,632	552,632
33 34	1992	30		22 436	1.143				22.436	1.143			587,139	587,139
35	1994	29		24,450	.,				-	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			587,139	587,139
36	1995	28							-	-			587,139	587,139
37	1996	27			899				-	899			586,240	586,240
38	1997	26		1,230					1,230		742 400		587,470	587,470
39 40	1999	23									743,403		1,330,879	1,330,879
41	2000	23							-				1,330,879	1,330,879
42	2001	22							-	-			1,330,879	1,330,879
43	2002	21							-	-			1,330,879	1,330,879
44	2003	20		71 417	20 724				71 417	20 734			1,330,879	1,330,879
45	2004	18		/1,41/	20,75.					20,155			1,381,561	1,381,561
47	2006	17							-		(644,605)		736,956	736,956
48	2007	16							-	•			736,956	736,956
49	2008	15		32,476	21,67	1 16.05	5 660.80		32,476	21,672	6 08 804	6 17 614 419	747,759	747,759
50	Fotal		3 518,235	s 175,777	3 40,05	/ 3 45,05 [°]	/ 3 550,80·	+ 3 32,369	a /20,381	3 11,020	, ⊅ 98,804	\$ 13,014,418	855,/11,01 ق	o 31,/31,930
	Major Addition	ns/Retirements												
						_								
0	Routine Activi	ty Interim Antivity		\$ 175,777	\$ 45,05	7								
57	Forecast In	terim Activity		0.975	6 0.25	/0								
52	i ot oouşt Bi			0.77	• ••=•									
53	2009	14							7,255	1,86	0			753,154
54	2010	13							7,307	1,87	3			758,588
55	2011	12							7,360	1,88	, 0			769,001
20 57	2012	10							7.466	1,90	4			775,127
58	2014	9							7,520	1,92	8			780,719
59	2015	8							7,575	1,94	2			786,352
60	2016	7							7,629	1,95	6			792,026
61	2017	6							7,684	1,97	u 4			797,740
62 K3	2018	2							7,740	, 1,98 5 - 1,99	8			809.293
64	2020	3							7,852	2 2,01	3			815,133
65	2021	2							7,908	3 2,02	7			821,014
66	2022	1							7,965	5 2,04	2	n		826,937
67	2023	U									(820,93)	7		

S	833,051	S 104,918		\$ 42,785,171
			(826,937)	-
	7,965	2,042		826,937
	7,908	2,027		821,014
	7,852	2,013		815,133
	7,796	· 1,998		809,293
	7,740	1,984		803,496
	7,684	1,970		797,740
	7,629	1,956		792,026
	7,575	1,942		786,352
	7,520	1,928		780,719
	7,466	1,914		775,127
	7,413	1,900		769,574
	7,360	1,887		764,061
	7,307	1,873		758,588
	7,255	1,860		/55,134

Whole Life Depreciation Rate Calculation Historical Additions Forecast Additions Total Additions Gross Salvage Value Less Cost of Removal Net Salvage Value Total to be Recovered 726,581 106,470 833,051 41,347 82,694 (41,347) 874,398

Forecast Plant Balances 42,785,171

2.04% 0.19% 2.24% Whole Life Accrual Rate Cost of Removal Accrual Rate Whole Life Accrual Rate (Excluding Cost of Removal)

> Depreciable Service Life, years 44.7

 Remaining Life Depreciation Rate Calculation

 Account Balance - 12/31/08
 747,759

 Forecast Additions
 106,470

 Gross Salvage Value
 41,347

 Less Cost of Removal
 82,694

 Net Salvage Value
 (41,347)

Diade Dilla Barrate	Corres 6 June 1	
BINCK HIDS FOWER	Gross salvage	3%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-5%
Unit Property: Unit Property: Steam Production, Ben French Plant	Install Date	1960
	Retirement Date	2023
	Service Life, Yrs	63

51 52

Major Additions/Retirements 1990 1992 Routine Activity Historical Interim Activity

Forecast Interim Activity

ecount:	316 Miscellane	ous Plant Equ	ipment	Initia	al Piant Balance	: 0								
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J] ⁽	[K]	[L.]	[M]	N
	1.1	[Reported I	Per Books		Adjustments t	Transaction					OY Plant Balan	ze
	Vintage	Vintage	T	ransaction Year	r	Vintage Year	Ye	ar	Adjusted Tran	isaction Year	Transfers and		12	
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
1	1960	63				59	213,392		213,392	-		213,392		213,392
2	1961	62					4,271	1,157	4,271	1,157		216,506		216,506
3	1962	.61				31,846	4,333	1,174	4,333	1,174		219,666		219,666
4	1963	60					4,397	1,191	4,397	1,191		222.871		222,871
5	1964	59					4,461	1,208	4,461	1,208		226,123		226,123
6	1965	58					4,526	1,226	4,526	1,226		229,423		229,423
7	1966	57				30,000	4,592	1,244	4,592	1,244		232,771		232,771
8	1967	56					4,659	1,262	4,659	1,262		236,168		236,168
9	1968	55					4,727	1,281	4,727	1,281		239,614		239,614
10	1969	54	*				4,796	1,299	4,796	1,299		243,111		243,111
11	1970	53					4,866	1,318	4,866	1,318		246,659		246,659
12	1971	52					4,937	1,337	4,937	1,337		250,258		250,258
13	1972	51					5.009	1,357	5,009	1,357		253,910		253,910
14	1973	50				938	5,082	1,377	5,082	1,377		257,616		257,616
15	1974	49					5,156	1,397	5,156	1,397		261,375		261,375
16	1975	48					5.231	1,417	5,231	1.417		265,189		265,189
17	1976	47	and the state of the second second	A dealer the second second	and the second second second second	 Source and a spectrum state of the 	5,308	1,438	5,308	1,438	0.11.011010000000000000000000000000000	269.059	and the second sec	269,059
18	1977	46				151,200	5,385	1,459	5,385	1.459		272,986		272,986
19	1978	45				76,500	5.464	1,480	5.464	1.480		276,969		276,969
20	1979	44				76,500	5,544	1.502	5.544	1.502		281:011		281.011
21	1980	43				,	5.625	1,524	5.625	1.524		285,112		285,112
22	1981	42				4.612	5,707	1.546	5,707	1.546		289.273		289.273
23	1982	41					5,790	1,569	5,790	1.569		293,494		293,494
24	1983	40					5 874	1 591	5 874	1 591		297 777		297 777
25	1984	39					5 960	1615	5,960	1.615		302 122		302 122
26	1985	38					6 047	1 638	6047	1,638		306 531		306 531
27	1986	37				1 834	6135	1,650	6135	1,652		311 004		311 004
28	1987	36				1 833	6 2 2 5	1,686	6 225	1,686		315 543		315 543
29	1988	35				1 382	6316	1,000	6316	1,000		320 148		320 148
30	1989	34	320 148	26 516	6 360	6 8 2 6	0,510	.,,,,,	26 516	6 360		520,1-10	340 304	340 304
31	1990	33	540,140	6 71 5	338 812	0,020			6 715	338 812			\$ 267	\$ 207
32	1991	32		10.4<5	1 924				10.455	1 874	334 200		351 029	351 079
33	1997	31		126 790	4,004				126 790	1,0J4	557,200		477 818	477.818
34	1993	30		7 777					7 722				485 550	485 550
35	1994	29		78 700		1.604			28 290				513 840	513 840
36	1995	28		3 927	1 652	1,090			3 087	1.657			516174	516 174
37	1996	20		3,005	1,032				3,005	1,052	(101 201)		417 601	417 601
78	1997	26		8 30.4	337				8 305	,,,,	(101,391)		475 007	425 907
10	1998	25		600					500	-			426 505	476 505
40	1990	23		7 617					2 617	-			420,393	420,393
41	2000	27		2,017					2,017	-	13146		447,212	467,612
42	2000	23		2,0/8					4,076	-	13,145		453 500	4174,453
42	2001	22		7,100	17 767				3,100	77 767			433,390	433,390
4.7	2002	21		34,408	605,12				32,408	21,303			469 760	420,093
49	2003	20		9,005					9,005	-			408,000	408,300
43	2004	19		0,287					0,287	-			4/4,04/	414,047
40	2005	18		13 500	1 707				12 555	1 190	(10150)		4/9,04/	4/9,04/
. 41	2000	17		12,350	1,384				12,350	1,382	(13,123)		400,001	400,001
48	2007	16			e				-				400,001	460,001
49	2008	- 15	0 000 1 10	a	0,826					0,826		·····	459,835	459,835

338,812 s \$ 126,790 171,330 \$ 2.00% 2.00%

46,414 0.54% 0.54%

s \$

9.204	2.493	466.545
9,338	2.530	473.354
9,474	2,567	480,261
9,613	2,604	487,270
9,753	2,642	494,380
9,895	2,681	501,595
10,040	2,720	508,915
10,186	2,759	516,341
10,335	2,800	523,876
10,486	2,841	531,521
10,639	2,882	539,278
10,794	2,924	547,147
10,951	2,967	555,132
11,111	3,010	563,233

11,111		3,010		
			(563,233)	
799.751	5	463.313		

s

Whole Life Depreciation Rate Calculation Historical Additions Forecast Additions, Total Additions Gross Salvage Value Less Cost of Removal Net Salvage Value Total to be Recovered 657,934 141,817 799,751 28,162 56,323 (28,162) 827,913

\$ 23,384,480

2008

Forecast Plant Balances 23,384,480

Whole Life Accrual Rate Cost of Removal Accrual Rate Whole Life Accrual Rate (Excluding Cost of Removal) 3.54% 0.24% 3.78%

> Depreciable Service Life, years 28.2

 Remaining Life Depreciation Rate Calculation

 Account Balance - 12/31/08
 459,835

 Forecast Additions
 141,817

 Gross Salvage Value
 28,162

 Less Cost of Removal
 56,323

 Net Salvage Value
 (28,162)

Forecast Plant Balances 7,188,849



Summary by Plant Black Hills Power **Wyodak Facility**

			Direct Investment	Depreciation	
Account	Description		2008\$	Rate	
310	Land				
311	Structure & Improvements		9,039,917	3.58%	
312	Boiler Plant Equipment		51,154,925	3.22%	
313	Engines & Engine Driven Generators		249,991	4.79%	
314	Turbo Generator Equipment		11,199,149	3.42%	
315	Accessory Electric Equipment		6,213,171	3.35%	
316	Misc Power Equipment		892,134	7.21%	
		Total	78,749,286	3.35% v	whole life weighted average rate

0 .	
Per Books Balance 12/31/08	79,050,217
Forecast Interim Additions	23,744,384
Forecast Gross Salvage Value	4,987,227
Forecast Less Cost of Removal	10,469,954
Forecast Net Salvage Value	(5,482,728)
Forecast Total to be Recovered with COR	108,277,328
Forecast Total to be Recovered w/o COR	97,807,374
Accumulated Depreciation (2008 EOY)	(50,672,287)
Forecast Remaining Life Balance with COR	57,605,041
Forecast Remaining Life Balance w/o COR	47,135,087
Forecast Plant Balances	1,896,224,299
Remaining Life Rate with COR	3.04%
Remaining Life Rate w/o COR	2.49%

Black Hills Po	wer				Gross Salvage	5%								
Unit Property Unit Property:	Depreciation R: Steam Product	ate Analysis ion, Wyodak I	Plant	F	ost of Removal Net Salvage Install Date Retirement Date	15% -10% 1978 2030							2008	ł
Historical and	Forecast Plant	Additions & B	alances	Juitie	ervice Lile, 115	0.057								
Account:	311 Structures	(P)	ints in ten	mu	IF Plant Balance	9,057			20					IN 1
	[A]	[b]	10	(D)	[A]	[1]	[G]	inj	[4]	[J]	1×1	[L]	[W]	
Tine	Vintage	Vintage	Pag Dalance	Transaction Year	Batimments	Vintage Year	Ye	ar	Adjusted Tra	nsaction Year	Transfers and		D. Decla	Ginulated
L Line	1070	Age	Deg balance j	Additions	Remembers	Retrements	Additions	Retirements	Additions	Keurements	Adjustments	Adjustments	Per Books	Sinulated
2	1978	52					8,669	10	8,669	10		8,669	· · · · ·	8,009
.3	1980 1981	50 . 49					48 48	10 10	48 48	10 10		8,745 8,783		8,745 8,783
5 6	1982 1983	48 47					48 49	10 10	48 49	10 10		8,822 8,861		8,822 8,861
7	1984	46					49	10	49	10		8,899		8,899
9	1985	43					49	10	49	10		8,978		8,978
10 11	1987 1988	43 42					50 50	10 10	50 50	10 10		9,017 9,057		9,017 9,057
12	1989	41 40	9,057							-			9,057	9,057 9.057
14	1991	39	a na contra constructor	8,346,974		156,948	5 - 5 M.A.M. (1997) - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	an a	8,346,974	· · · · · · · · · · · · · · · · · · ·	ere e como como esta a	1	8,356,031	8,356,031
15	1992	38 37		135,082		22,339			135,082	-			8,491,113 8,491,113	8,491,113
17 18	1994 1995	36 35		111,144					111,144	•			8,602,257 8,602,257	8,602,257 8,602,257
19	1996	34		178,075	22,339				178,075	22,339			8,757,992	8,757,992
20	1998	32							-	-			8,757,992	8,757,992
22 23	1999 2000	31 30		211,509	74,467				211,509	74,467			8,895,035 8,895,035	8,895,035 8,895,035
24 25	2001	29 28							-	-			8,895,035 8 895 035	8,895,035 8,895,035
26	2003	27		31,636					31,636	-			8,926,670	8,926,670
28	2004	26		41,920 26,267					41,920	-			8,968,590 8,994,857	8,994,857
29 30	2006 2007	24 23		138,834	82.482				138,834	82.482	(5,922) (5,370)		9,127,769 9,039,917	9,127,769 9,039,917
31	2008 Total	22	¢ 0.057	\$ 0.221.440	\$ 170.288	E 170 287	- <u>-</u>		\$ 9 221 440	E 170 299	\$ (11 202)		9,039,917	9,039,917
52	10021		3 3,031	3 7,221,440	3 177,200	5 177,207	3 -	3 -	3 9,221,440	3 117,200	3 (11,292)		\$ 130,312,720	a 156,512,720
	Major Addition	s/Retirements												
8	1991			\$ 8,346,974			1.1							
33	Routine Activit Historical Int	y erim Activity		\$ 874,466 0.55%	0.11%									
34	Forecast Inter	im Activity		0.55%	0.11%									
35	2009	21							49,870	10,225				9,079,563
36 37	2010 2011	20 19							50,089 50,309	10,270 10,315				9,119,382 9,159,377
38 39	2012 2013	18 17							50,529 50,751	10,360 10,405				9,199,546 9,239,892
40	2014	16							50,974	10,451				9,280,415
41 42	2015	15							51,422	10,497				9,361,994
43 44	2017 2018	13 12							51,647 51,874	10,589 10,635				9,403,052 9,444,291
45	2019	11							52,101	10,682				9,485,710
40	2020	9							52,559	10,776				9,569,094
48 49	2022 2023	8 7							52,790 53,021	10,823 10,871				9,611,061 9,653,211
50	2024	6							53,254	10,918				9,695,547
52	2026	4							53,722	11,014				9,780,775
53 54	2027	3							53,958 54,194	11,063				9,823,670 9,866,753
55 56	2029 2030	1							54,432	11,160	(9,910,025)		9,910,025
									\$ 10,315,950	\$ 403,690				\$ 357,782,571
											Whole Life I	Depreclation Rat	e Calculation	0 221 440
												HI F	orecast Additions	s 9,221,440 s 1,094,510
												Gn	Total Additions oss Salvage Value	s 10,315,950 e 495,501
												Less	Cost of Removal	1
												Tota	il to be Recovered	1 11,306,953
												Forec	ast Plant Balance	s 357,782,571
										W	sole Life Accruz	Whole Cost of Rem I Rate (Excluding	Life Accrual Rational Accrual Rational Accrual Rational Removal Cost of Removal	e 3.16% e 0.42% l) 3.58%
												Depreciable	Service Life, year	s 31.6
												Remaining Li	fe Depreciation I	Rate Calculation
												Account	Balance 12/31/08 Forecast Addition	9,039,917 s 1,094,510
												Gr	oss Salvage Value	495,501
												Les	Net Salvage Value	e (991,003)

Black Hills Power	Gross Salvage	5%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-5%
Unit Property: Steam Production, Wyodak Plant	Install Date	1978
	Retirement Date	2030
	Service Life, Yrs	52

Historical and Forecast Plant Additions & Balances Account: 312 Boiler Plant Equipment Initial Plant Balance 16,022,256

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	រោ	[K]	[L]	[M]	[N]
		1	1	Reported	Per Books		Adjustments t	o Transaction					EOY Plant Balance	3
	Vintage	Vintage	T	ransaction Year	r	Vintage Year	Ye	ar	Adjusted Tra	nsaction Year	Transfers and			
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Reprements	Adjustments	Adjustments	Per Books	Simulated
1	1978	52					15,548,879		15,548,879	•		15,548,879		15,548,879
2	1979	51					71,751	25,050	71,751	25,050		15,595,581		15,595,581
3	1980	50					71,967	25,125	71,967	25,125		15,642,422		15,642,422
4	1981	49					72,183	25,201	72,183	25,201		15,689,405		15,689,405
5	1982	48					72,400	25,276	72,400	25,276		15,736,528		15,736,528
6	1983	47					72,617	25,352	72,617	25,352		15,783,793		15,783,793
7	1984	46					72,835	25,429	72,835	25,429		15,831,200		15,831,200
8	1985	45					73,054	25,505	73,054	25,505		15,878,750		15,878,750
9	1986	44					73,274	25,581	73,274	25,581		15,926,442		15,926,442
10	1987	43					73,494	25,658	73,494	25,658		15,974,277		15,974,277
11	1988	42					73,714	25,735	73,714	25,735		16,022,256		16,022,256
12	1989	41	16,022,256	12,327,586		2,667,481			12,327,586	-			28,349,842	28,349,842
13	1990	40							-	-			28,349,842	28,349,842
14	1991	39		29,761,701		239,460			29,761,701				58,111,543	58,111,543
15	1992	38		636,467		35,917			636,467	-			58,748,010	58,748,010
16	1993	37							-	-			58,748,010	58,748,010
17	1994	36		124,541		67,236			124,541	-			58,872,551	58,872,551
18	1995	35		170,532	30,000				170,532	30,000			59,013,082	59,013,082
19	1996	34		1,258,258	626,066	8,901			1,258,258	626,066			59,645,274	59,645,274
20	1997	33							-	-			59,645,274	59,645,274
21	1998	32							-	-			59,645,274	59,645,274
22	1999	31		236,168	890,477				236,168	890,477			58,990,965	58,990,965
23	2000	30							-	-			58,990,965	58,990,965
24	2001	29			227,562				-	227,562			58,763,403	58,763,403
25	2002	28							-				58,763,403	58,763,403
26	2003	27		1,281,183					1,281,183	-			60,044,586	60,044,586
27	2004	26		358,678					358,678				60,403,263	60,403,263
28	2005	25		215,319					215,319	-			60,618,582	60,618,582
29	2006	24		178,430					178,430	-	(7,601,244)		53,195,768	53,195,768
30	2007	23		622,039	2,654,859				622,039	2,654,859	(8,024)		51,154,925	51,154,925
31	2008	22							-	-			51,154,925	51,154,925
32	Total		\$ 16,022,256	\$ 47,170,900	\$ 4,428,964	\$ 3,018,994	s -	s -	\$ 47,170,900	\$ 4,428,964	\$ (7,609,268)	s -	\$ 1,101,209,488	\$ 1,101,209,488

1080		ç	12 327 586		
1001			20 761 701		
1791		3	29,701,701	c	2 654 850
2007			6 001 612	3	1 774 105
Uistorias Inte	y nim Activity	3	5,081,015	3	1,774,105
Fisioncal line	im Antinity		0.40/6		0.10/6
Porecast inter	in Activity		0.40%		0.1076
2009	21				
2010	20				
2011	19				
2012	18				
2013	17				
2014	16				
2015	15				
2016	14				
2017	13				
2018	12				
2019	11				
2020	10				
2021	9				
2022	8				
2023	7				
2024	6				
2025	5				
2026	4				
2027	3				
2028	2				
2029	1				
2030	0				

236,058	82,413		51,308,570
236,767	82,661		51,462,676
5,037,478	82,909		56,417,246
260,342	90,891		56,586,696
261,124	91,164		56,756,655
261,908	91,438		56,927,125
262,694	91,713		57,098,107
2,807,483	91,988		59,813,603
276,014	96,363		59,993,254
276,843	96,652		60,173,446
277,675	96,943		60,354,178
278,509	97,234		60,535,453
3,157,647	97,526		63,595,575
293,467	102,456		63,786,585
294,348	102,763		63,978,170
295,232	103,072		64,170,330
296,119	103,382		64,363,067
3,553,543	103,692		67,812,918
312,928	109,250		68,016,596
313,868	109,578		68,220,885
314,810	109,907		68,425,788
		(68,425,788)	
\$ 66,475,758	\$ 6,462,958		\$ 2,381,006,411

Whole Life Depreciation Rate Calculation	
Historical Additions	47,170,900
Forecast Additions	19,304,858
Total Additions	66,475,758
Gross Salvage Value	3,421,289
Less Cost of Removal	6,842,579
Net Salvage Value	(3,421,289)
Total to be Recovered	69,897,047
Forecast Plant Balances	2,381,006,411
Whole Life Accrual Rate	2.94%
Cost of Removal Accrual Rate	0.29%
Whole Life Accrual Rate (Excluding Cost of Removal)	3.22%
Depreciable Service Life, years	34.1
Remaining Life Depreciation Rate C	alculation
Account Balance 12/31/08	51,154,925
Forecast Additions	19,304,858

Black Hills Po Unit Property Unit Property	wer Depreciation Rat Steam Production	te Analysis on, Wyodak I	Plant	Co Co Re Ser	Gross Salvage st of Removal Net Salvage Install Date tirement Date vice Life, Yrs	5% 10% -5% 1978 2030 52								2008	đ	\bigcirc
Account:	313 Engine and	Engine Drive	en Generators	Initial	Plant Balance	. 0									s., 	
·	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J]		[K]	[L]	[M]	[N]	
Line	Vintage Year	Vintage Age	Beg Balance	Transaction Year Additions	Retirements	Vintage Year Retirements	Adjustments Ye Additions	to Transaction ear Retirements	Adjusted Tr Additions	ansaction Ye	ar Tra nts Ad	ansfers and liustments	Adjustments	Per Books	Simulated	
1	1978	52							-		-		-		~	
2	1979 1980	51 50					· · · · · · · · · · · · · · · · · · ·	· · · ·					• • •			
4 5 6	1981 1982 1983	49 48 47					-	-	-		- -		-		-	
7 8	1984 1985	46 45							-		-		-		•	
9 10	1986 1987	44 43				141	-				-		-		-	
11	1988 1989	42 41	0				-	•	-		-		-	-	-	
13 	1990 1991 1992	40 		an a she caracter	a an	1	a ganta at atomicijan da at atta tang	ر پرد د همه ۲۰۰۰ از د د د د رو	• • • • • • • • • • • • • • • • • • • •	n maan maaniya	• • • • • • • • • • • • • • • •	an a	na ana ang ang ang ang ang ang ang ang a		• • •	n na mara a sa
16 17	1993 1994	37								·	- 				-	
18 19	1995 1996	35 34							-, -		-			•.		
20 21	1997 1998	33 32							• •		-			-	•	
22 23	1999 2000	31 30							•		-			-	-	
24 25 26	2002	29 28 27		232,960 7.427					232,960 7,427		-			232,960 240,387	232,960 240,387	
27 28	2004 2005	26 25		19,645					19,645	i	-	(10,041)		260,032 249,991	260,032 249,991	
29 30	2006 2007	24 23									-			249,991 249,991	249,991 249,991	
31 32	2008 Total	22	<u>s</u> -	\$ 260,032	s -	s -	s -	s -	\$ 260,032	S	- s	(10,041)	5 -	\$ 1,733,340 S	1,733,340	
	Major Additions	Retirements														_00000k
	2002			\$ 232,960												
33 34	Historical Inte	rim Activity		\$ 27,072 1.56% 1.00%	0.00%											
35	2009	21							2,500)	-				252,490	
36 37	2010 2011	20 19							2,525 2,550	5	-				255,015 257,565	
38 39	2012 2013	18 17							2,576 2,601	5 L	-				260,141 262,743 265,370	
41 42	2014 2015 2016	15							2,654	, ;)	-			ай жал.	268,024 270,704	
43 44	2017 2018	13 12							2,707 2,734	7 4					273,411 276,145	
45 46	2019 2020	11 10							2,761	9	-				278,906 281,696	
47 48 40	2021 2022	9 8							2,81	7 5 4	-				284,513 287,358 290,231	
50 51	2023 2024 2025	6							2,902	2	-				293,134 296.065	
52 53	2026 2027	4 3							2,961 2,990	1 0	-				299,026 302,016	
54 55	2028 2029	2 1							3,020 3,050	0	:				305,036 308,086	
56	2030	0							\$ 318,127	7 S	-	(308,086)			\$ 7,601,014	
											W	hole Life De	preciation Rate His	Calculation orical Additions	260,032	
													Fo	recast Additions Total Additions	58,096 318,127	
													Gros Less	s Salvage Value Cost of Removal_ t Salvage Value	15,404 30,809	-
													Total	to be Recovered	333,532	
													Foreca	t Plant Balances	7,601,014	
													Whole I Cost of Remo	ife Accrual Rate val Accrual Rate	4.39% 0.41%	•
											Whole	Life Accrual I	Depreciable S	cost of Removal)	4.79%	1
													prosidence o		22.0	
													Remaining Life Account I	Depreciation Ra Balance 12/31/08	te Calculation 249,991	
													Fr Gro	ss Salvage Value	58,096 15,404 30,809	
													N	et Salvage Value	(15,404)	•
							Δ_1	8					Foreca	st Plant Balances	5,867,674	

Black Hills Power	Gross Salvage	5%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-5%
Unit Property: Steam Production, Wyodak Plant	Install Date	1978
	Retirement Date	2030
	Service Life, Yrs	52
Historical and Forecast Plant Additions & Balances		
Account: 314 Turbogenerator Equipment	Initial Plant Balance	7,179

	[A]	[B]	(C)	[D]	[E]	[F]	[G]	[G] [H]		[J]	[K]	[L]	[M]		[N]
	T	1	1	Reported Pe	r Books		Adjustments to	Transaction				EOY Plant Balar			
	Vintage	Vintage	T	ransaction Year]	Vintage Year	Ye	ar	Adjusted Tran	saction Year	Transfers and				
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	ş	Simulated
	1971					1,828									and the second second second
1	1978	52					7.061		7,061	-		7,061			7,061
2	1979	51					15	3	15	3		7,073			7,073
3	1980	50					15	3	15	3		7,084			7,084
4	1981	49					15	3	15	3		7,096			7,096
5	1982	48					15	3	15	3		7,108			7,108
6	1983	47					15	3	15	3		7,120			7,120
7	1984	46					15	3	15	3		7,132			7,132
8	1985	45					15	3	15	3		7,143			7,143
9	1986	44					15	3	15	3		7,155			7,155
10	1987	43					15	3	15	3		7,167			7.167
11	1988	42					15	3	15	3		7,179			7,179
12	1989	41	7,179	7,179					7.179	-		-,	14.358		14,358
13	1990	40		.,					.,	-			14,358		14,358
14	1991	39		9,214,295		711.034			9.214.295	-			9,228,654		9,228,654
15	1992	38		299.654					299.654	-			9,528,308		9,528,308
16	1993	37								-			9,528,308		9,528,308
17	1994	36			2.103	2,103				2,103			9,526,205		9,526,205
18	1995	35		6.610	1.828	2.963			6.610	1.828			9,530,987		9.530.987
19	1996	34		543,893	204,140				543,893	204,140			9.870.739		9,870,739
20	1997	33							-	-			9,870,739		9,870,739
21	1998	32							-	-			9.870.739		9.870.739
22	1999	31			73.635					73,635	(10,906)		9,786,199		9,786,199
23	2000	30								-			9,786,199		9,786,199
24	2001	29								-			9,786,199		9,786,199
25	2002	28							-	-			9,786,199		9,786,199
26	2003	27		56,390					56,390	-			9,842,588		9,842,588
27	2004	26		5,883					5,883	-			9.848.472		9.848.472
28	2005	25		1,127					1,127	-			9.849.598		9,849,598
29	2006	24		1,975,529					1,975,529	-	(96,843)		11,728,285		11,728,285
30	2007	23			436.222				-	436.222	(92,914		11,199,149		11,199,149
31	2008	22							-				11,199,149		11,199,149
32	Total		\$ 7,179	\$ 12,110,560	\$ 717.928	\$ 717,928	S -	S	\$ 12,110,560	\$ 717,928	\$ (200,663)	S -	\$ 179,795,433	S	179,795,433
	Major Additio	ons/Retirements													
	1991			\$ 9,214,295											
	1996			\$ 543,893	\$ 204,140										
	2006			\$ 1,975,529	\$ 436,222										
	Routine Activ	ity		\$ 376,843	\$ 77,566										
33	Historical In	nterim Activity		0.21%	0.04%										
34	Forecast Inte	erim Activity		0.21%	0.04%										
35	2009	21							23,473	4,831					11,217,790
36	2010	20							23,512	4,839					11,236,463
37	2011	19							23,551	4,848					11,255,166
38	2012	18							23,590	4,856					11,273,901
39	2013	17							23,630	4,864					11,292,667
40	2014	16							23,669	4,872					11,311,464
41	2015	15							23,708	4,880					11,330,292
42	2016	14							23,748	4,888					11,349,152
43	2017	13							23,787	4,896					11,368,043
44	2018	12							23,827	4,904					11,386,966
45	2019	11							23,867	4,912					11,405,920
46	2020	10							23,906	4,921					11,424,905
47	2021	9							23,946	4,929					11,443,923
48	2022	8							23,986	4,937					11,462,972
49	2023	7							24,026	4,945					11,482,052
50	2024	6							24,066	4,953					11,501,164
51	2025	5							24,106	4,962					11,520,309
52	2026	4							24,146	4,970	1				11,539,485
53	2027	3							24,186	4,978					11,558,693
54	2028	2							24,226	4,987	r				11,577,933
55	2029	1							24,267	4,995	i				11,597,205
56	2030	0									(11,597,205	i)			
									\$ 12,611,783	\$ 821,095	•			\$	419,331,895

											whole Life]	pepreciation Ra	te Calculation		

whole the Depresation Rate Calculation	
Historical Additions	12,110,560
Forecast Additions	501,223
Total Additions	12,611,783
Gross Salvage Value	579,860
Less Cost of Removal	1,159,720
Net Salvage Value	(579,860)
Total to be Recovered	13,191,643
Forecast Plant Balances	419,331,895
Whole Life Accrual Rate	3.15%
Cost of Removal Accrual Rate	0.28%
Whole Life Accrual Rate (Excluding Cost of Removal)	3,42%
Depreciable Service Life, years	31.8

Remaining Life Depreciation Rate	Calculation
Account Balance 12/31/08	11,199,149
Forecast Additions	501,223
Gross Salvage Value	579,860
Less Cost of Removal	1,159,720
Net Salvage Value	(579,860)

	Black Hills) Unit Proper Unit Proper Historical au Account:	Power ty Depreciation F ty: Steam Produc ad Forecast Plant 315 Accessory	late Analysis tion, Wyodak Additions & J y Electric Equ	Plant Balances ipmeat	G: Cost Reti Serv Initial P	ross Salvage t of Removal Net Salvage Install Date irrement Date ice Life, Yrs Plant Balance	5% 10% -5% 1978 2030 52 0				, sasta ,			2008		(
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[11]	[J]	[K]	[L]	[M]	[N]	
		Vintage	Vintage	ļ	Reported Per Transaction Year	Books	Vintage Year	Adjustments Y	to Transaction ear	Adjusted Trans	action Year	Transfers and		EOY Plant Balance		
	Line	Year	Age	Beg Balance	e Additions R	etirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated	
	1 2 3 4 5 6 7 8 9 10	1978 1979 1980 1981 1982 1983 1984 1985 1986 1986	52 51 50 49 48 47 46 45 44 43						· · · · · · · · · · · · · · · · · · ·		-					
	11 12	1988 1989	42 41	0				•	-	-	-		-	-	-	
	13 14 15 16 17 18 19 20 21 22	1990 1991 1992 1993 1994 1995 1996 1997 1998 1999	40 39 38 37 36 35 34 33 32 31	1	5,733,052 8,595 296,346 288,579	208,756	5,988		чалоо на напрата се а 1 - е - е	5,733,052 8,595 296,346 - 288,579	208,756	99,024	· · · ·	5,733,052 5,733,052 5,733,052 5,741,647 5,829,237 5,829,237 5,829,237 5,928,261 6,215,192	5,733,052 5,733,052 5,733,052 5,741,647 5,741,647 5,829,237 5,829,237 5,928,261 6,215,192	
	23 24 25 26 27 28 29 30 31	2000 2001 2002 2003 2004 2005 2006 2007 2008	30 29 28 27 26 25 24 23 22		6,803	45,222				6,803	45,222			6,215,192 6,215,192 6,215,192 6,221,995 6,221,995 6,221,995 6,221,995 6,221,995 6,221,975 6,213,171	6,215,192 6,215,192 6,215,192 6,221,995 6,221,995 6,221,995 6,221,995 6,221,995 6,221,995 6,221,995 6,213,171 6,213,171	
	32	Total	no/P stiramonto	s -	\$ 6,369,774 \$	255,627	\$ 255,627	s -	S -	\$ 6,369,774	\$ 255,627	\$ 99,024	s -	\$ 108,444,277 \$	108,444,277	
" And a start of		Major Additio 1991	ns/K curements		\$ 5,733,052											Ć
	33	Historical In	ny nterim Activity erim Activity		\$ 636,722 \$ 0.59%	255,627 0.24% 0.24%										N.
	34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 33 53 55 56	Porecast Intel 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030	21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1 0		0.39%	0.24%				36,480 36,608 36,737 36,866 37,126 37,256 37,387 37,518 37,650 97,783 37,915 38,049 38,182 38,316 38,451 38,586 38,722 38,585 38,994 39,132	14,646 14,697 14,749 14,801 14,853 14,957 15,010 15,063 15,166 15,169 15,222 15,235 15,333 15,437 15,431 15,546 15,600 15,655 15,710	(6,688,170)	annasistion D	S	6,235,006 6,256,917 6,278,905 6,300,970 6,323,113 6,345,334 6,367,632 6,390,010 6,412,465 6,435,000 6,475,614 6,480,307 6,503,080 6,525,933 6,548,867 6,571,881 6,594,976 6,618,152 6,641,849 6,668,170 244,084,766	
											Wh	Whole Life D	epreciation Re I G Le Te Forr Who Cost of Re Rate (Excludii Depreciable Remaining I Accour C Le	the Calculation fistorical Additions Forecast Additions Total Additions Total Additions Total Additions Total Additions Stavage Value ss Cost of Removal	6,369,774 793,613 7,163,387 334,408 668,817 (334,408 7,497,795 244,084,766 3.07% 0.27% 3.35% 3.256 te Calculation 6,213,171 793,613 3.34,408 668,817 (334,408)	
								A-2	0				For	aast riant Balances	130,040,489	

Black Hills H	Power	Gross Salvage	5%
		Cost of Removal	10%
Unit Propert	ty Depreciation Rate Analysis	Net Salvage	-5%
Unit Propert	ty: Steam Production, Wyodak Plant	Install Date	1978
		Retirement Date	2030
		Service Life, Yrs	52
Historical at	d Forecast Plant Additions & Balances		
Account:	316 Miscellaneous Plant Equipment	Initial Plant Balance	21,473

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J]	[K]	[L]	[M]	[N]
	Vieter	Vir	<u>_</u>	Reported I	er Books		Adjustments t	o Transaction	4.45	I	Transf		EOY Plant Balance	
Line	Vintage Year	v intage Age	Beg Balance	Additions	Retirements	v intage Year Retirements	Additions	ar Retirements	Adjusted Tran Additions	Retirements	I ransters and Adjustments	Adjustments	Per Books	Simulated
1	1978	52	•				12,423	- ten omond	12,423			12,423		12,423
2	1979	51					724	25	724	25		13,122		13,122
5 4	1981	50 ⊿o					765	26	765 80e	26		13,860		13,860
5	1981	48					853	30	853	30		15,463		15,463
6	1983	47					901	31	901	31		16,333		16,333
7	1984	46					952	33	952	33		17,251		17,251
8	1985	45					1,005	35	1,005	35		18,222		18,222
9	1986	44					1,062	37	1,062	37		19,247		19,247
11	1987	43					1,121	41	1,121	41		21,473		21,473
12	1989	41	21,473				-,		-	•			21,473	21,473
13	1990	40							-	-			21,473	21,473
14	1991	39		344,033		118,037			344,033	-			365,506	365,506
15	1992	38		29,448					29,448	-			394,954	394,954
10	1993	36		120,135					120,135	-			515.089	515.089
18	1995	35		9,686					9,686	-			524,776	524,776
19	1996	34		136,897	22,551				136,897	22,551			639,121	639,121
20	1997	33							-	-			639,121	639,121
21	1998	32		1 221					1 221	-	(16 920)		639,121	639,121
23	2000	30		1,231					1,231	-	(10,820)		623,532	623,532
24	2001	29							-	-			623,532	623,532
25	2002	28							-	-			623,532	623,532
26	2003	27		12,656					12,656	-			636,188	636,188
27	2004	26		2,079					2,079	-	10.041		638,267	638,267
29	2005	23		142.622					142.622	-	10,041		807.402	807.402
30	2007	23		180,218	95,486				180,218	95,486			892,134	892,134
31	2008	22											892,134	892,134
32	Total		\$ 21,473	\$ 995,477	S 118,037	\$ 118,037	s -	s -	s 995,477	\$ 118,037	\$ (6,779)	s -	\$ 11,180,620 \$	11,180,620
	Major Addition	s/Retirements												
	-													
	2007			n	\$ 95,486									
	1991 Routine Activit	hv.		\$ 544,033 \$ 651.444	\$ 22.551									
33	Historical Inte	erim Activity		5.83%	0.20%									
34	Forecast Inter	rim Activity		5,83%	0.20%									
	****								51 001					
35	2009	21							51,981	1,799				942,315
30	2010	19							57,993	2.008				1.051.304
38	2012	18							61,255	2,120				1,110,438
39	2013	17							64,700	2,240				1,172,898
40	2014	16							68,339	2,366				1,238,872
41	2015	15							76 244	2,499				1,308,557
43	2010	13							80,532	2,788				1,459,906
44	2018	12							85,062	2,945				1,542,023
45	2019	11							89,847	3,110				1,628,760
46	2020	10							94,900	3,285				1,720,375
47	2021	9							100,238	3,470				1,817,144
48 40	2022	8 7							111.877	3,005				2,027 214
47	2024	6							118,123	4.089				2,141.349
51	2025	5							124,767	4,319				2,261,797
52	2026	4							131,785	4,562				2,389,020
53	2027	3							139,197	4,819				2,523,399
54	2028	2							147,027	5,090				2,665,336
55 56	2029	1							133,297	3,376	(2,815.257)		2,810,207
50	2000	v							\$ 2,987,561	\$ 186,998	. (2)070,201	,	5	47,293,520

											Whole Life I	Jepreciation Ra	te Calculation	006 177
												н	Forecast Additions	1,992,084
													Total Additions	2,987,561
												G	ross Salvage Value	140,763
												Les	ss Cost of Removal	281,526
												Ta	Net Salvage Value	(140,763)
												10		3,120,324
												Fore	cast Plant Balances	47,293,520

 Whole Life Accrual Rate
 6.61%

 Cost of Removal Accrual Rate
 0.60%

 Whole Life Accrual Rate (Excluding Cost of Removal)
 7.21%

Depreciable Service Life, years 15.1

Remaining Life Depreciation Rate C	alculation
Account Balance 12/31/08	892,134
Forecast Additions	1,992,084
Gross Salvage Value	140,763
Less Cost of Removal	281,526
Net Salvage Value	(140,763)

Summary by Plant Black Hills Power Neil Simpson I Facility

• • • • • • • • • •	Description	Direct Investment	Depreciation
Account	Description	20083	Rate
310	Land		0.00%
311	Structure & Improvements	2,139,727	3.23%
312	Boiler Plant Equipment	12,718,813	3.92%
313	Engines & Engine Driven Generators		
314	Turbo Generator Equipment	2,866,457	2.42%
315	Accessory Electric Equipment	744,885	2.87%
316	Misc Power Equipment	429,468	2.83%

Total

18,899,349 3.55% whole life weighted average rate

v	
Per Books Balance 12/31/08	18,913,575
Forecast Interim Additions	7,260,936
Forecast Gross Salvage Value	1,278,309
Forecast Less Cost of Removal	2,556,618
Forecast Net Salvage Value	(1,278,309)
Forecast Total to be Recovered with COR	27,452,820
Forecast Total to be Recovered w/o COR	24,896,202
Accumulated Depreciation (2008 EOY)	(16,151,840)
Forecast Remaining Life Balance with COR	11,300,980
Forecast Remaining Life Balance w/o COR	8,744,362
Forecast Plant Balances	323,756,007
Remaining Life Rate with COR	3.49%
Remaining Life Rate w/o COR	2.70%

Black Hills Po Unit Property	wer Depreciation Rate Analysis				Gross Salvage Cost of Removal Net Salvage	5% 10% -5%								
Unit Property	: Steam Production, Neil Simp	son i Piant			Install Date Retirement Date Service Life, Yrs	1969 2023 54								
Historical and Account:	Forecast Plant Additions & B 311 Structures & Improveme	alances nis		Init	tial Plant Balance	0			_					
	[A]	[B]		[D] Reported	[E] d Per Books	[F]	[G] Adjustments to	[H] Transaction	(I)	[1]	[K]	[L]	[M]	
Line	Vintage Year	Vintage Age	Beg Balance	ransaction Ye Additions	ar Retirements	Vintage Year Retirements	Yea Additions	r Retirements	Adjusted Trans Additions	action Year Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated
1 2	1954 1955	69 68				16,928								
3 4 5	1956 1957 1958	67 66 65				10 142								
67	1959	64 63				1011-12								
8 9	1961 1962	62 61												
10 11	1963 1964	60 59												
12 13	1965 1966	58 57				2,050								
14 15	1967 1968	56 55												
16 17	1969 1970	54 53				19,214	1,311,253 17,943	3,616	1,311,253 17,943	3,616		1,311,253 1,325,580		1,311,253 1,325,580
18 19	1971 1972	52 51				14,872	18,139 18,337	3,655 3,695	18,139 18,337	3,655 3,695		1,340,063 1,354,705		1,340,063 1,354,705
20 21	1973 1974	50 49				373	18,537 18,740	3,736 3,776	18,537 18,740	3,736		1,369,507 1,384,470		1,369,507 1,384,470
22	1975	48 47				1.250	18,944	3,818	18,944 19,151	3,818		1,399,597		1,399,597
24 25	1977 1978	46 45				1,259	19,361 19,572	3,901 3,944	19,361 19,572	3,901		1,430,348		1,430,348
26 27 28	1979	44				6,709	20,002	4,031	20,002	4,031		1,461,775		1,401,775
29 29	1981	41				23,127	20,221	4,075	20,221	4,075		1,493,893		1,510,215
31	1984	39					20,891	4,210	20,891	4,210		1,543,397		1,543,397
33	1986	37					21,350	4,302	21,350	4,302		1,577,308		1,577,308
35 36	1988	35 34	1.611.964	6.594	4	9.028	21,819	4,397	21,819	4,397		1,611,964	1.618.558	1,611,964
37 38	1990	33 32		91,834	4 3.146	-1020			91,834	3.146			1,710,393	1,710,393
39 40	1992 1993	31 30		55,001 27,973	1 3 3,057				55,001 27,973	3,057			1,762,248 1,787,163	1,762,248
41 42	1994 1995	29 28		31,830 41,91	0 8,401 3 29,836				31,830 41,913	8,401 29,836			1,810,593	1,810,593 1,822,669
43 44	1996 1997	27 26		236,450	6				236,456				2,059,126 2,059,126	2,059,126 2,059,126
45 46	1998 1999	25 24		11,111 136,16	2 7				11,112 136,167	:			2,070,238 2,206,405	2,070,238 2,206,405
47 48	2000 2001	23 22			56,726				-	56,726	29,316		2,178,995 2,178,995	2,178,995 2,178,995
49 50	2002 2003	21 20							:	:			2,178,995 2,178,995	2,178,995 2,178,995
51 52	2004 2005	19 18								:			2,178,995 2,178,995	2,178,995 2,178,995
53 54	2006 2007	17 16		144,40	9,028				- 144,402	9,028	(174,827 185	}	1,995,140 2,139,727	1,995,140 2,139,727
55 56	2008 Total	15	\$ 1,611,964	\$ 783,28	2 \$ 110,193	\$ 110,193	\$ 1,687,855	\$ 75,891	\$ 2,471,137	s 186,084	\$ (145,326) \$ 29,134,208	2,139,727 \$ 39,962,331	2,139,727 \$ 69,096,539
	Major Additions/Retirements			6 37/45	<i>,</i>									
67	Routine Activity			\$ 236,45	6 16									
58	Forecast Interim Activity			1.37	% 0.28%									
59 60	2009	14							29,279	5,900				2,163,106
61 62	2010 2011 2012	12							29,922	6,030				2,210,633
63 64	2013 2014	10							30,580 30,914	6,162 6,230				2,259,204
65 66	2015	8							31,252 31,593	6,298 6,366	5			2,308,842
67 68	2017 2018	6							31,938 32,287	6,436 6,506	5			2,359,571 2,385,352
69 70	2019 2020	4							32,640 32,997	6,577	, ,			2,411,415 2,437,762
71 72	2021 2022	2 1							33,357 33,722	6,722 6,795	2			2,464,397 2,491,323
73	2023	0							\$ 2,911,466	\$ 274,817	(2,491,32	3)		\$ 101,627,627
											Whole Life	Deprecistion R	ate Calculation	
												H	Sorical Additions	440,329
												Gr 1~~	oss Salvage Value	2,711,400 124,566
												Tot	Net Salvage Value	(124,566)
												Fores	ast Plant Balances	101.627.627
												Whole	Life Accrual Rate	2.99%
										Who	ole Life Accrual	Cost of Ren Rate (Excluding	oval Accrual Rate Cost of Removal	e 0.25% 3.23%
												Depreciable	Service Life, year	s 33.5
												Remaining	Life Depreciation	a Rate Calculation
												Account	Balance 12/31/08 Forecast Addition:	2,139,727 440,329
												G Le	ross Salvage Valu is Cost of Remova	e 124,566 1 249,132
												-	Net Salvage Valu	(124,566)
												Fore	ast riant Balance	\$ \$2,531,088

Black Hills Po	Wer			Cos	ross Salvage	5% 10%								
Unit Property Unit Property	Depreciation Re : Steam Product	ete Analysis ion, Neil Simp	son 1 Plant		Net Salvage Install Date	-5% 1969							2008	
Historical and	Forecast Plant	Additions & B	alances	Ret	irement Date rice Life, Yrs	2023 54								
Account:	312 Boller Plan	it Equipment		Initial I	lant Balance	0								
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J]	(K)	[L]	[M]	(N)
	Vintage	Vintage		Reported Per Transaction Year	Books	Vintage Year	Adjustments to Year	Transaction	Adjusted Trans	action Year	Transfers and		3OY Plant Balance	
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions 1	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
2	1954	68 67												
4	1957	66 65												
6	1959	64												
8	1961	62 61												
10 11	1963 1964	60 59												
12 13	1965 1966	58 57												
14 15	1967 1968	56 55												
16 17	1969 1970	54 53				361,655	6,188,859 49,227	12,069	6,188,859 49,227	12,069		6,188,859 6,226,018		6,188,859 6,226,018
18 19	1971 1972	52 51		erter das en en entre tradición de la traj		39,933	49,523 49,820	12,142 12,214	49,523 49,820	12,142 12,214	Carrier Carros	6,263,399 6,301,005		6,263,399 6,301,005
20 21	1973 1974	50 49				10,678	50,119 50,420	12,288 12,362	50,119 50,420	12,288 12,362		6,338,837 6,376,895		6,338,837 6,376,895
22	1975	48 47		· · · · · · · ·			50,723	12,436	50,723	12,436		6,415,183		6,415,183 6,453,700
25	1977	46					51,642	12,580	51,534	12,661		6,531,429		6,531,429
20 27 28	1980	43				50.000	52,264 52 578	12,814	52,264	12,814		6,610,095		6,610,095
29 30	1982	41				3,000	52,894 53,211	12,968	52,894 53,211	12,968		6,689,708		6,689,708
31 32	1984	39 38				8,307 23,675	53,531 53,852	13,124 13,203	53,531 53,852	13,124 13,203		6,770,280		6,770,280 6,810,929
33 34	1986 1987	37 36				5,610 31,963	54,175 54,501	13,282 13,362	54,175 54,501	13,282 13,362		6,851,822 6,892,961		6,851,822 6,892,961
35 36	1988 1989	35 34	6,934,347	289,654	10,000	59,541 192,406	54,828	13,442	54,828 289,654	13,442 10,000		6,934,347	7,214,000	6,934,347 7,214,000
37 38	1990 1991	33 32		36,670 11,235	40,260				36,670 11,235	40,260			7,250,671 7,221,646	7,250,671 7,221,646
39 40	1992 1993	31 30		5,042,694 50,000	357,921 28,548	13,700			5,042,694 50,000	357,921 28,548	(4,701)		11,901,718 11,923,171	11,901,718 11,923,171
41 42	1994 1995	29 28		6,691	2,500				6,691	2,500			11,923,171 11,927,362	11,923,171 11,927,362
43 44	1996	27 26		7,142	40 - 201				7,142	-			11,934,504 11,934,504	11,934,504 11,934,504
45 46	1998 1999	25 24		327,253 28,250	48,781 20,000	* 400			327,253 28,250	48,781 20,000			12,212,977 12,221,227	12,212,977
47 48	2000	23		296,577 11,755	46,139	7,499			11,755	46,139			12,471,665	12,471,665
49 50	2002	20		60,439	6,624 16,789				60,439	16,789			12,480,074	12,480,074
52	2004	18		7,608	\$3,697				7,608	- 83.697	(282 577)		12,657,628	12,657,628
54 55	2007	16		409,796	87,750				409,796	87 750	1,375		12,718,813	12,718,813
56	Total		\$ 6,934,347	\$ 6,878,335	807,965	\$ 807,965	\$ 7,176,483	\$ 242,136	\$ 14,054,817	\$ 1,050,101	\$ (285,903)	\$131,098,213	\$ 230,776,500	\$ 361,874,713
	Major Addition 1992	is/Retirements		\$ 5,042,694	357,921								1 - N - N	
57	Routine Activi Historical I	ty Interim Activity	<i>(</i>	\$ 1,835,640 ! 0.80%	450,044 0.20%									
58	Forecast In	terim Activity		0.80%	0.20%	8			0.001.100					14005 150
59 60	2009	14							118,479	24,803				14,895,178 14,984,609
61 62	2011 2012	12							119,906	29,222				15,165,086
63 64	2013	9							120,020	29,751				15,347,737
66 67	2015	7							122,812	30,110				15,532,588
68 69	2018 2019	5 4							144,643 145,511	35,462 35,675				18,293,673 18,403,510
70 71	2020 2021	3 2							146,385 147,264	35,889 36,105				18,514,006 18,625,165
72 73	2022 2023	1							148,148	36,322	(18,736,991)			18,736,991
									\$ 20,514,574	\$ 1,491,680	•			\$ 594,328,352
											Whole Life De	preciation Rat	e Calculation istorical Additions	14,054,817
												1	Total Additions	6,459,757
												Le	is Cost of Removal	1,873,699
												To	al to be Recovered	21,451,424
												Fore	ast Plant Balances	594,328,352
												Whole Cost of Rev	Life Accrual Rate	3.61% 0.32%
										Wb	ole Life Accrual	Rate (Excluding	(Cost of Removal)	3.92%
												Depreciable	Service Life, years	27.7
												Remaining L	ife Depreciation R	ate Calculation
												Account	Balance 12/31/08 Forecast Additions	12,718,813 6,459,757
												G	ross Salvage Value as Cost of Removal	936,850 1,873,699
												۳.	Net Salvage Value	(936,850)
												rore	an r mai paiances	232,433,039

Black Hills Pov	wer			C	Gross Salvage	5% 10%								
Unit Property Unit Property:	Depreciation R Steam Product	ate Analysis tion, Neil Simp	son 1 Piant	R	Net Salvage Install Date	-5% 1969 2023							2008	
Historical and Account:	Forecast Plant 314 Turbogene	Additions & B	alances eut	Se	rvice Life, Yrs Plant Balance	54 0								
	IA)	[B]	[C]	[D]	(E)	(F)	[G]	(H)	[11]	[J]	(K)	[L]	[M]	[N]
Line	Vintage Year	Vintage Age	Beg Balance	Reported P Transaction Year Additions	er Books Retirements	Vintage Year Retirements	Adjustments to Ye Additions	Transaction ar Retirements	Adjusted Trans Additions	action Year Retirements	Transfers and Adjustments	I Adjustments	OY Plant Balan Per Books	Simulated
1	1954	69 68												
3	1956	67 66												
5	1958	65												
6 7	1959 1960	64 63												
8	1961 1962	62 61												
10	1963	60												
12	1965	58												
13 14	1966 1967	57 56												
15	1968	55 54					2 516 254		2 516 254			2.516.254		2 516.254
17	1970	53				16,262	11,272	861	11,272	861		2,526,665		2,526,665
19	1972	51				3,000	11,366	868	11,366	868		2,547,618		2,547,618
20 21	1973 1974	50 49					11,413 11,460	871 875	11,413 11,460	871 875		2,558,159 2,568,744		2,558,159 2,568,744
22 23	1975	48 47					11,507	879 882	11,507	879 882		2,579,373 2,590,046		2,579,373 2,590.046
24	1977	46					11,603	886	11,603	886		2,600,762		2,600,762
25	1978	43					11,699	893	11,699	893		2,622,329		2,622,329
27 28	1980 1981	43 42					11,747 11,796	897 901	11,747 11,796	897 901		2,633,180 2,644,075		2,633,180 2,644,075
29	1982 1983	41 40					11,845 11,894	904 908	11,845 11,894	904 908		2,655,015 2.666,001		2,655,015
31	1984	39					11,943	912	11,943	912		2,677,032		2,677,032
32	1985	37					12,042	919	12,042	910		2,699,232		2,699,232
34 35	1987 1988	36 35				159,525	12,092 12,142	923 927	12,092 12,142	923 927		2,710,400 2,721,615		2,710,400 2,721,615
36 37	1989	34 33	2,721,615	19,946					19,946	-			2,741,561 2,741,561	2,741,561
38	1991	32		86,929	14,289				86,929	14,289			2,814,201	2,814,201
40	1992	30		21,734	3,000				21,734	3,000			2,832,935	2,832,935
41 42	1994 1995	29 28							-	-			2,832,935 2,832,935	2,832,935 2,832,935
43 44	1996	27 26								:			2,832,935	2,832,935
45	1998	25							-	-			2,832,935	2,832,935
46 47	2000	24 23							-	· -			2,832,935 2,832,935	2,832,935 2,832,935
48 49	2001 2002	22 21		4,100 81,398	159.525				4,100 81,398	159.525			2,837,035 2,758,908	2,837,035 2,758,908
50	2003	20		70 100	1 072				28 180	1 072			2,758,908	2,758,908
52	2004	18		36,163	1,973				56,165	-			2,795,124	2,795,124
53 54	2006 2007	17 16							:	-	71,333		2,866,457 2,866,457	2,866,457 2,866,457
55 56	2008 Total	15	\$ 2,721,615	5 \$ 252,295	\$ 178,787	\$ 178,787	\$ 2,738,590	\$ 16,975	\$ 2,990,885	s 195,761	\$ 71,333	\$ 52,353,254	2,866,457 \$ 56,319,477	2,866,457 \$ 108,672,731
	Major Addition 2002	ns/Retirements		F 252 205	\$ 159,525									
57 58	Routine Activi Historical Forecast h	ity Interim Activity aterim Activity	y	\$ 252,295 0.45% 0.45%	\$ 19,262 0.03% 0.03%	6								
59	2009	14							12,841	980)			2,878,317
61	2011	12							12,947	988	Ļ			2,902,186
62	2012	10							13,055	993	, 7			2,926,252
64 65	2014 2015	9 8							13,109 13,163	1,001	5			2,938,360 2,950,518
66 67	2016	7							13,217 13,272	1,009) }			2,962,727 2,974,986
68	2018	5							13,327	1,017				2,987,295
70	2019	3							13,438	1,020	5			3,012,067
71 72	2021 2022	2							13,493 13,549	1,030	4			3,024,531 3,037,045
73	2023	0							\$ 3,175,574	\$ 209,863	2 (3,037,04	5)		\$ 150,071,092
											Whole Life	Depreciation R Hi	ate Calculation istorical Addition	s 2,990,885
												1	Total Addition	3,175,574
												G	ross Saivage Valu is Cost of Remov	al <u>303,705</u>
												Tot	Net Salvage Valu al to be Recovere	e (151,852) ad 3,327,426
												Forec	ast Plant Balance	s 150,071,092
										Who	ole Life Accrual	Whole Cost of Ren Rate (Excluding	Life Accrual Ra noval Accrual Ra Cost of Remova	te 2.22% te 0.20% l) 2.42%
												Depreciable	Service Life, yea	rs 41.3
												Remaining Account	Life Depreciation Balance - 12/31/	n Rate Calculation 8 2.866.457
													Forecast Additio	ns 184,689
												Le	ss Cost of Remov	al 303,705
												Fore	cast Plant Balanc	es 41,398,361

Black Hills Pov	ver			Gro Cost o	ss Salvage f Removal	5% 10%								
Unit Property Unit Property:	Deprecistion R Steam Produc	ate Analysis tion, Neil Simp	son 1 Plant	N	let Salvage install Date	-5% 1969							2008	
• •				Retire Servic	ment Date e Life, Yrs	2023 54								
Historical and Account:	Forecast Plant 315 Accessory	Additions & B Electric Equip	alances ment	Initial Pla	nt Balance	0								
	[A]	[18]	[C]	[D]	[E]	[F]	[G]	[11]	[1]	[J]	[K]	[Ľ.]	[M]	[N]
[]		[L	Reported Per H	ooks	<u> </u>	Adjustments t	o Transaction	1			1	EOY Plant Balanc	c
Line	Vintage Year	Vintage Age	Beg Balance	Transaction Year Additions Re	tirements	Vintage Year Retirements	Ye Additions	ar Retirements	Adjusted Tran Additions	saction Year Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated
1	1954	69				710								
2 3	1955 1956	68 67												
4 5	1957 1958	66												
6	1959	64												
8	1961	62												
10	1963	60												
11	1965	58												
13 14	1966 1967	57 56				858								
15 16	1968 1969	55 54					533,278		533,278			533,278		533,278
17 18	1970 1971	53 52				39,960	5,402 5,431	2,451 2,465	5,402 5,431	2,451 2,465		536,229 539,196		536,229 539,196
	1972	50	ana torra o contra	and the providence of the second second second			5,462 5,492	2,478	5,462 5,492	2,478	· · · · · · · · · · · · · · · · · · ·	542,179 545,179	a naarina araan araan ing soo	542,179 545,179
21	1974	49					5,522	2,506	5,522	2,506		548,195		548,195
23	1976	47					5,583	2,534	5,583	2,534		554,278		554,278
24	1977	45					5,645	2,562	5,645	2,540		560,428		560,428
26 27	1979	44					5,677	2,576	5,708	2,576		566,647		565,529
28 29	1981 1982	42 41					5,740 5,771	2,604 2,619	5,740 5,771	2,604 2,619		569,782 572,935		569,782 572,935
30 31	1983 1984	40 39				16,950	5,803 5,835	2,633 2,648	5,803 5,835	2,633 2,648		576,105 579,292		576,105 579,292
32 33	1985 1986	38					5,868 5,900	2,663 2,677	5,868 5,900	2,663 2,677		582,497 585,720		582,497 585,720
34	1987 1988	36 35					5,933 5,966	2,692	5,933 5,966	2,692 2,707		588,961 592,219		588,961 592,219
36	1989	34	592,219	9,579					9,579				601,798 601,798	601,798
38	1991	32		5,696	8,916				5,696	8,916	(0.579)		598,578 590,891	598,578
40	1993	30		1,074						-	(5,515)		590,891	590,891
41 42	1994	29											590,891	590,891
43 44	1995	26							-	-			590,891	590,891
45 46	1998	25 24		72,341	31,044				- 12,341	31,044			632,188	632,188
47 48	2000 2001	23 22								-			632,188 632,188	632,188 632,188
49 50	2002	21 20		39,365	18,518				39,365	18,518			653,035 653,035	653,035 653,035
51 52	2004 2005	19 18							•	· · · · :			653,035 653,035	653,035 653,035
53 54	2006	17 16							2	-	91,849		744,885 744,885	744,885 744,885
55	2008 Total	15	\$ 592.219	\$ 128.873 \$	58 478	\$ 58,478	\$ 641,183	\$ 48.964	\$ 770.056	s 107.442	S 82.270	\$ 11,245,221	744,885	744,885
50	Major Additic	os /P etizemente	3 572,217	U 120,075 U	20,470	5	5 011105				0 02,210			
	Routing Activ	iter		\$ 178.873										
57 58	Historical Forecast I	Interim Activity	y	1.01%	0.46% 0.46%									
50	7000	14			011010				7.545	3 424				749.006
60 61	2010	13							7,587	3,443				753,150
61	2011	11							7,671	3,481				761,507
63 64	2013	9							7,756	3,519				769,957
65 66	2015 2016	8							7,799	3,558				778,501
67 68	2017 2018	6 5							7,885	3,578 3,598				782,808
69 70	2019 2020	4							7,973 8,017	3,618 3,638				791,494 795,873
71 72	2021 2022	2							8,061 8,106	3,658 3,678	5			800,277 804,705
73	2023	0							\$ 879,570	\$ 157,135	(804,705)		\$ 34,839,958
											Whole Life I	Pepreciation Re	te Calculation	
												Hi	storical Additions orecast Additions	770,056 109.514
												• 6•	Total Additions	879,570 40,235
												Less	Cost of Removal	80,470
												Tota	il to be Recovered	919,805
												Foreca	ast Plant Balances	34,839,958
												Whole	Life Accrual Rate	2.64%
										Who	le Life Accrual l	Cost of Rem Rate (Excluding	oval Accrual Rate Cost of Removal]	2.87%
												Depreciable f	Service Life, year	34.8
												Remaining 1	Life Depreciation	Rate Calculation
												Account B	alance - 12/31/08 orecast Additions	744,885 109,514
												Gr	oss Salvage Value	40,235
												1	Net Salvage Value	(40,235)

Forecast Plant Balances 10,871,672

Black Hills Po	wer			Co	Gross Salvage st of Removal	5% 10%								
Unit Property Unit Property	Depreciation Re : Steam Product	ate Analysis ion, Neil Simp	son l Plant	Re	Net Salvage Instail Date tirement Date	-5% 1969 2023							2008	
Historical and Account:	Forecast Plant A 316 Miscellanee	Additions & B ous Plant Equ	lalances ipment	Sea Initial	vice Life, Yrs Plant Balance	: 54 : 0								
	[A]	[B]	(C)	[0]	[E]	(F)	(G	[H]	(I)	ប្រ	[K]	[L]	[M]	[N]
Line	Vintage Year	Vintage Age	Beg Balance	Reported Performance PerformaP	r Books Retirements	Vintage Year Retirements	Adjustments to Yea Additions	Transaction Retirements	Adjusted Trans Additions	action Year Retirements	Transfers and Adjustments	EC Adjustments	Per Books	Simulated
1	1954	69												
2 3	1955 1956	68 67												
4 5	1957 1958	66 65												
6 7	1959 1960	64 63												
8	1961	62 61												
10	1963	60												
12	1965	58												
13 14	1966	57												
15 16	1968 1969	55 54					300,112		300,112	-		300,112		300,112
17 18	1970 1971	53 52				64,347	3,108 3,141	2	3,108 3,141	:		303,220 306,361		303,220 306,361
19 20	1972 1973	51 50					3,173 3,206	-	3,173 3,206	-		309,534 312,740		309,534 312,740
21 22	1974	49 48					3,239	-	3,239	:		315,979		315,979
23	1976	47					3,307	-	3,307	-		322,559		322,559
25	1978	45					3,376	-	3,376	-		329,275		329,275
26 27	1979	44					3,411 3,446	-	3,411 3,446	-		332,686		332,686
28 29	1981 1982	42 41					3,482 3,518	-	3,482 3,518	-		339,613 343,131		339,613 343,131
30 31	1983 1984	40 39					3,554 3,591	:	3,554 3,591	-		346,685 350,276		346,685 350,276
32 33	1985 1986	38 37					3,628 3.666		3,628 3,666	-		353,904 357,569		353,904 357,569
34	1987	36					3,704	-	3,704	-		361,273		361,273
36	1989	34	365,01	5 17,009	64 347		511.10		17,009	- 64 347			382,024	382,024
38	1990	32		4,170	04,547				4,170				328,295	328,295
39 40	1992	31		12,917					12,917	-			341,211	341,211
41 42	1994 1995	29 28		25,487					25,487	:			366,699 366,699	366,699 366,699
43 44	1996 1997	27 26		5,371 399					5,371 399	-			372,070 372,469	372,070 372,469
45 46	1998	25 24		2,297					2,297	:			374,765 374,765	374,765 374,765
47	2000	23								-			374,765	374,765
49	2002	21		3 720									374,765	374,765
51	2003	20 19		2,729					763	-			378,257	378,257
52 53	2005 2006	18 17							-	-	51,210		378,257 429,468	378,257 429,468
54 55	2007 2008	16 15							<u>.</u>				429,468 429,468	429,468
56	Total Major Addition	15/Retirements	\$ 365,01	5 \$ 77,590	\$ 64,347	7 \$ 64,341	7 \$ 365,015	s -	\$ 442,604	\$ 64,347	\$ 51,210	\$ 6,631,213	\$ 7,491,039 \$	14,122,252
67	1990 Routine Activit	ty Intenim Activity		\$ 77,590	\$ 64,347 \$ -	1								
58	Forecast In	terim Activity	y	1.04%	0.005	%								
59	2009	14							4,448	•				433,916
60 61	2010	13							4,494 4,541	-				438,410
62 63	2012 2013	11 10							4,588 4,635	-				447,539 452,175
64 65	2014 2015	9 8							4,683 4,732	-				456,858 461,590
66 67	2016 2017	7 6							4,781 4,831	:				466,371 471,202
68 69	2018 2019	5 4							4,881 4,931	-				476,082 481,013
70	2020	3							4,982	:				485,995
72	2022	ĩ							5,086		(496.11)	a		496,115
,,	2025	v							\$ 509,252	\$ 64,34	7	,		\$ 20,623,499
											Whole Life	Depreciation Ra His	e Calculation torical Additions	442,604
												Fo	recast Additions Total Additions	<u>66,647</u> 509,252
												Gro Less	ss Salvage Value Cost of Removal	24,806 49,612
												N Total	et Salvage Value to be Recovered	(24,806) 534,058
												Foreca	st Plant Balances	20,623,499
												Whole I Cost of Remo	life Accrual Rate	2.59% 0.24%
										Wh	ole Life Accrual	Rate (Excluding Depreciable S	Cost of Removal) ervice Life, years	2.83% 38.6
												Dam-I-I	ife Planne static - 1	Data Cal-dat
												Account B	alance - 12/31/08	429,468
												Gro	ss Salvage Value	00,047 24,806
												Less	cost of Removal iet Salvage Value	49,612 (24,806)
												Foreca	st Plant Balances	6,501,247

Summary by Plant Black Hills Power Neil Simpson 2 Facility

		5.4 5.4	
Account	Description	Direct Investment 2008\$	Depreciation Rate
310	Land	- · ·	
311	Structure & Improvements	-13,248,871	2.73%
312	Boiler Plant Equipment	75,551,337	2.87%
313	Engines & Engine Driven Generators		
314	Turbo Generator Equipment	29,102,926	2.59%
315	Accessory Electric Equipment	6,272,379	2.58%
316	Misc Power Equipment	479,676	7.23%

Total

124,655,189 2.79% whole life weighted average rate

Per Books Balance 12/31/08	125,534,971
Forecast Interim Additions	29,159,701
Forecast Gross Salvage Value	7,637,352
Forecast Less Cost of Removal	15,274,704
Forecast Net Salvage Value	(7,637,352)
Forecast Total to be Recovered with COR	162,332,024
Forecast Total to be Recovered w/o COR	147,057,320
Accumulated Depreciation (2008 EOY)	(38,724,257)
Forecast Remaining Life Balance with COR	123,607,767
Forecast Remaining Life Balance w/o COR	108,333,063
Forecast Plant Balances	4,957,526,249
Remaining Life Rate with COR	2.49%
Remaining Life Rate w/o COR	2.19%

"Newskill"	Black Hills Po Unit Property Unit Property	ower Company Depreciation F : Steam Produc	tate Analysis tion, Neil Simp	oson 2 Plant	G Cos Ret Serv	ross Salvage t of Removal Net Salvage Install Date irement Date vice Life, Yrs	5% 10% -5% 1998 2045 47							2008	
	Historical and Account:	Forecast Plant 311 Structures	t Additions & E s & Improveme	Balances ents	Initial I	lant Balance	0								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J]	[K]	[L]	[M]	[N]
[W.		Reported Pe	r Books		Adjustments	to Transaction					EOY Plant Balan	ce
	Line	Vintage Year	Vintage Age	Beg Balance	Additions	Retirements	Vintage Year Retirements	Y Additions	ear Retirements	Adjusted Transac Additions R	tion Year etirements	Adjustments	Adjustments	Per Books	Simulated
	41 42 43 44 45 46 47 48 49 50	1998 1999 2000 2001 2002 2003 2004 2005 2006 2007	47 46 45 44 43 42 41 40 39 38		11,540,435 322,184 87,340 5,484 22,835 338,036 84,446 76,060	17 822	17,822			11,540,435 322,184 87,340 - 5,484 22,835 338,036 - 84,446 76,060		624,511 165,739 (376)		11,540,435 12,487,130 12,574,470 12,574,470 12,579,954 12,602,789 12,940,825 12,940,825 13,191,009 13,248,871	11,540,435 12,487,130 12,574,470 12,579,954 12,602,789 12,940,825 12,940,825 13,191,009 13,248,871
	51	2008	37		70,000	17,022	6 17 022				-	6 700.974	<u> </u>	13,248,871	13,248,871
	52	I otai Major Additior 1998	ns/Retirements	3 -	\$ 12,476,819 \$ 11,540,435	17,822	\$ 17,822	3 -	3 -	\$ 12,476,819 \$	17,822	3 /89,8/4	3 -	5 139,929,647	\$ 139,929,647
	53 54	Routine Activi Historical Int Forecast Inte	ty terim Activity rim Activity		\$ 936,383 0.67% 0.67%	0.01% 0.01%									
	55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 77 78 79 80 81 82 83 84 83 84 85 86 88 88 89 90	2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2024 2025 2026 2027 2028 2029 2030 2031 2031 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043	36 35 34 33 32 31 30 29 28 27 26 25 24 21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 2							88,659 89,241 89,827 90,416 91,010 91,607 92,209 92,814 93,423 94,037 94,654 95,275 95,901 96,530 97,164 97,802 98,444 99,090 99,740 100,395 101,054 101,718 102,385 103,057 103,754 104,415 105,100 106,485 107,184 107,184 107,184 107,788 108,596 109,308 110,026 110,748	$\begin{array}{c} 1,687\\ 1,699\\ 1,710\\ 1,721\\ 1,732\\ 1,744\\ 1,755\\ 1,767\\ 1,778\\ 1,770\\ 1,802\\ 1,813\\ 1,825\\ 1,837\\ 1,849\\ 1,861\\ 1,874\\ 1,886\\ 1,898\\ 1,911\\ 1,923\\ 1,936\\ 1,949\\ 1,962\\ 1,974\\ 1,987\\ 2,000\\ 2,014\\ 2,057\\ 2,040\\ 2,057\\ 2,0667\\ 2,080\\ 2,084\\ 2,108\\ 2,012\\ 2,084\\ 2,108\\ 2,012\\ 2,003\\ 2,014\\ 2,005\\ 2,084\\ 2,088\\ 2,008\\ 2,088\\ 2$				13,335,842 13,422,385 13,511,502 13,600,197 13,689,475 13,779,339 13,869,793 13,960,840 14,052,486 14,144,732 14,237,885 14,331,047 14,425,122 14,519,815 14,615,130 14,711,070 14,807,640 14,904,844 15,002,686 15,101,171 15,200,302 15,501,616 15,503,375 15,705,803 15,808,903 15,808,903 15,912,680 16,017,137 16,122,281 16,638,444 16,648,444 16,648,444
	91	2045	0							\$ 16,064,021 \$	86,098	(16,767,797)		\$ 679,506,724
											Wh	Whole Life I	Depreciation Rat Hi F Gre Less N Tota Forec: Whole Cost of Rem I Rate (Excluding Depreciable 5	te Calculation storical Additions orecast Additions Total Additions ss Salvage Value Cost of Removal let Salvage Value I to be Recovered ast Plant Balances Life Accrual Rate oval Accrual Rate Cost of Removal Service Life, year	12,476,819 3,587,202 16,064,021 838,390 1,676,780 (838,390) 16,902,411 679,506,724 2,249% 2,249% 2,273% 5,40.2
													Remaining L Account I Gr	ife Depreciation Balance 12/31/08 Forecast Additions oss Salvage Value	Rate Calculation 13,248,871 3,587,202 838,390
													Les: I Forec	s Cost of Remova Net Salvage Value ast Plant Balances	l 1,676,780 e (838,390) s 539,577,076

Black Hills Po	wer Company				Gross Salvage	5%										
Unit Property Unit Property	Depreciation F : Steam Produc	late Analysis :tion, Neil Simp	son 2 Plant		Net Salvage Install Date Retirement Date	10% -5% 1998 2045		۰,					2008			
Historical and Account:	Forecast Plant 312 Boiler Pla	Additions & B at Equipment	lalances	Ini	tial Plant Balance	47										
	[A]	[B]	(C)	[D]	[E]	[F]	[G]	(EQ) -	(1)	[1]	jK)	[L]	M	ואן		
	Vintage	Vintage		Reported Transaction Ye	Per Books ar	Vintage Year	Adjustments to Year	Transaction	Adjusted Tran	saction Year	Transfers and		EOY Plant Balance			
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions I	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated		
13 14 15	1971	74 73				6,013	· -	-	·. ·	-	-21			-		
16 17	1973 1974	72 71					•	, -				-		:		
18	1975 1976 1977	69 68						· · · · ·		• • • • • • •						
21 22	1978 1979	67 66					-	:	-	-		:		:		
23 24 25	1980 1981	65 64			e e e e e e e e e e e e e e e e e e e		-		-	-		-				
26 27	1983 1984	62 61					•	-	•	:		•		-		
28 29 30	1985 1986	60 59					-	-	-					-		
31 32	1988 1989	57 56		e e e e e van an e e e e e e e e e e e e e e e e e		6,533		1-1-1-2-21-21	-		a an an an that the factor	• •	n a cara a a fan fan an an an a	- - 	n an an dia kang sakan manan dia saka	
33 34 36	1990 1991	55 54 52											15 g.C. -	- 1		
36 37	1993	52 51								-			· · · ·			
38 39	1995 1996	50 49							-	:			-	-		
40 41 42	1997 1998 1999	48 47 46		28,341 74,009,175 869,214	6,533 30,316	1,658,776			28,341 74,009,175 869,214	6,533 30,316	(467,515)		28,341 74,030,983 74,402,366	28,341 74,030,983 74,402,366		
43 44	2000 2001	45 44		587,861 105,595	31,013 112,000				587,861 105,595	31,013 112,000			74,959,214 74,952,809	74,959,214 74,952,809		
45 46 47	2002 2003 2004	43 42 41		135,029 77,435 380,167	50,000				135,029 77,435 380,167	3,344 - 50,000			75,084,494 75,161,928 75,492,095	75,084,494 75,161,928 75,492,095		
48 49	2005 2006	40 39		16,469	8,484				16,469	8,484	183,186		75,500,080 75,683,266	75,500,080 75,683,266		
50 51 52	2007 2008 Total	38 37		1,293,706	\$ 1,429,632	1 671 32 7			1,293,706	1,429,632	3,997	<u>.</u>	75,551,337 75,551,337 5 826 398 249	75,551,337 75,551,337 8 826 398 249		
	Major Additio	as/Retirements	Ĵ,		• 10,1,22					0 10.000	. (5 010p30,217 1	0.000000		
	1998 2007 Routing Activ			\$ 74,037,516 \$ 1,293,706 \$ 2,121,769	5 1,429,632											
53 54	Historical In Forecast Inte	terim Activity erim Activity		0.269	6 0.03% 6 0.03%											
55	2009	36							198,548	22,096				75,727,789		\odot
57 58	2010 2011 2012	34 33							199,012 199,477 1,775,881	22,148 22,199 22,251				76,081,931 77,835,561		
59 60	2013 2014	32 31							204,551 205,029	22,764 22,817				78,017,348 78,199,560		
61 62 63	2015 2016 2017	30 29 28							205,508 205,988 206,469	22,870 22,924 22,977				78,382,198 78,565,262 78,748,753		
64 65	2018 2019	27 26							206,951 2,080,730	23,031 23,085				78,932,673 80,990,318		
66 67 68	2020 2021 2022	25 24 23							212,842 213,339 213,837	23,687 23,742 23,797				81,179,473 81,369,071 81,559,111		
69 70	2023 2024	22 21							214,337 214,837	23,853 23,909				81,749,594 81,940,523		
71 72	2025 2026	20 19							215,339 2,442,601	23,965 24,020				82,131,898 84,550,478		
73 74 75	2027 2028 2029	18 17 16							222,198 222,717 223,237	24,728 24,786 24,843				84,747,948 84,945,880 85,144,274		
76 77	2030 2031	15 14							223,759 224,281	24,901 24,960				85,343,131 85,542,452		
78 79 80	2032 2033 2034	13 12							224,805 2,872,247 232,812	25,018 25,076 25,909				85,742,239 88,589,410 88,796,313		
81 82	2035 2036	10 9							233,356 233,901	25,970 26,030				89,003,700 89,211,570		
83 84	2037 2038	8							234,447 234,995	26,091 26,152 26 212				89,419,927 89,628,770		
85 86 87	2039 2040 2041	5							3,382,446 244,914	26,274 27,256				93,194,272 93,411,930		
88 89	2042 2043	3							245,486 246,059	27,319 27,383				93,630,097 93,848,773		
90 91	2044 2045	1							\$ 96,902,106	\$ 2,553,814	(94,067,959))	-	\$ 3.862.371.189		
											Whole Life D	epreciation Ra	te Calculation			
													Historical Additions Forecast Additions Total Additions	77,502,991 19,399,115 96,902,106		
													Gross Salvage Value Less Cost of Removal	4,703,398		
													Net Salvage Value Total to be Recovered	(4,703,398) 101,605,504		
												F	orecast Plant Balances	3,862,371,189		
											110-1- * 'C ·	W Cost of	hole Life Accrual Rate Removal Accrual Rate	2.63% 0.24%		
											winne Life Acc	auaa Rate (Exch	unig Cost of Removal) able Service Life, years	2.87%		Alternational de la construction de la construcción de la construcción de la construcción de la construcción de
												Remaining I Aco	are Depreciation Rate ount Balance 12/31/08 Forecast Additions	Calculation 75,551,337 19,399 115		
													Gross Salvage Value Less Cost of Removal	4,703,398 9,406,796		
												1	Net Salvage Value	(4,703,398) 3,035 972 939		
														~,~~~,~,~, <i>~</i> ,,,,,,,,,,,,,,,,,,,,,,,,,,		

Black Hills Po Unit Property Unit Property Historical and	ower Company / Depreciation R /: Steam Produc	Late Analysis tiou, Neil Simp Additions & F	oson 2 Plant	C S	Gross Salva, Cost of Remov Net Salva, Install Da Retirement Da ervice Life, Y	ge 5% al 10% ge -5% te 1998 te 2043 rs 47	5							2008	
Account:	314 Turbogene	erator Equipm [B]	ent [C]	Initi [D]	al Plant Balan [E]	ce 0 [F]		[G]	[H]	[1]	[J]	[K]	[L.]	[M]	[N]
	Vintero	Vintega		Reported	Per Books		Adj	ustments	to Transaction	1		T		EOY Plant Balance	e
Line	Year	Age	Beg Balanc	e Additions	Retirement	Retirements	Ad	ditions	Retirement	s Additions 1	Retirements	Adjustments	Adjustments	Per Books	Simulated
41 42 43 44 45 46 47 48 49 50 51 52	1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 Total	47 46 45 44 43 42 41 40 39 38 37	- - 8	27,051,645 37,085 3,265 1,713,883 121,566 76,317 285,377 75,749 \$ 29,364,887	192,00 \$ 192,00	192,000 0 0 <u>5</u> 192,000	S	-	<u>s</u> -	27,051,645 37,085 3,265 1,713,883 121,566 76,317 285,377 75,749 \$ 29,364,887 \$		(77,928) 7,967 \$ (69,961)	<u>s</u> -	27,051,645 26,973,718 27,010,803 27,014,068 28,727,951 28,849,517 28,925,834 29,027,178 29,102,926 29,102,926 \$ 310,712,400	27,051,645 26,973,718 27,010,803 27,014,068 28,727,951 28,849,517 28,925,834 29,027,178 29,102,926 29,102,926 \$ 310,712,400
53 54	Major Addition 1998 2002 Routine Activi Historical Int Forecast Inte	ty terim Activity rim Activity		\$ 27,051,645 \$ 1,713,883 \$ 599,359 0.19% 0.19%	\$ 192,00 0.06 0.00	0 % %									
55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 80 81 82 83 84 85 86 87 88 89 90 91	2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2044 2044 2045	36 35 34 33 32 31 30 29 28 27 26 25 24 23 22 21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 2 10 9								56,139 56,247 56,356 56,465 56,474 56,683 56,792 57,011 57,231 57,234 57,234 57,235 57,574 57,573 57,674 57,786 57,897 58,009 58,121 58,233 58,345 58,458 58,458 58,459 58,683 58,570 58,683 58,570 59,024 59,137 59,252 59,366 59,480 59,595 59,710 59,825 59,710		(31,193,672)			29,159,066 29,215,313 29,271,669 29,328,133 29,384,707 29,441,390 29,498,181 29,555,083 29,612,094 29,662,094 29,662,094 29,662,094 29,726,447 29,783,789 29,841,241 29,898,805 29,956,479 30,014,264 30,072,162 30,130,170 30,14,264 30,072,162 30,130,170 30,14,264 30,074,652 30,421,897 30,048,6580 30,539,377 30,598,286 30,657,310 30,715,649 30,835,065 30,894,545 30,954,140 31,073,676 31,133,616
										\$ 31,455,633	\$ 192,000)			\$ 1,396,661,779
											Wh	Whole Life I	Pepreclation R F G Le To Fore Whol Cost of Re Rate (Excludin Depreciable Remaining Accou	ate Calculation listorical Addition: Forecast Addition: Total Additions Socsi of Remova Net Salvage Valuu tal to be Recoverce cast Plant Balance: e Life Accrual Rat moval Accrual Rat moval Accrual Rat moval Accrual Rat cost of Remova e: Service Life, year Life Depreciation at Balance 12/31/0 Forecast Addition fross Salvage Valu sas Cost of Remova	s 29,364,887 s 2,090,746 s 31,455,633 s 1,559,684 1 33,015,317 s 1,396,661,779 e 2,36% e 0,22% l) 2,59% s 42,3 Rate Calculation 8 29,102,926 s 2,090,746 e 1,559,684)
													For	cast Plant Balance	s 1,085,949,379

	Black Hills Po Unit Property Unit Property Historical and	ower Company y Depreciation R y: Steam Produc d Forecast Plant	tate Analysis tion, Neil Simp Additions & F	son 2 Piant Balances	(S	Gross Salvage Cost of Removal Net Salvage Install Date Retirement Date ervice Life, Yrs	5% 10% -5% 1998 2045 47							2008		C
	Account:	315 Accessory	Electric Equip	ment	Initi	al Plant Balance	0 -								01	
	[[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	(I) 	[1]	[K]	[L]	[M]		
	Line	Vintage Year	Vintage Age	Beg Balan	Transaction Ye	ar Retirements	Vintage Year Retirements	Additions	ear Retirements	Adjusted Trans Additions	action Year Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated	
	41 42 43 44 45 46 47 48 49 50 51 52	1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 Total	47 46 45 44 43 42 41 40 39 38 37	<u> </u>	6,135,296 11,151 139,183 \$ 6,285,630	s	s -	s -	· · · · · ·	6,135,296 11,151 139,183 - - - - S 6,285,630 S		(13,251) \$ (13,251)	· · · ·	6,135,296 6,146,447 6,146,447 6,146,447 6,146,447 6,146,447 6,285,630 6,272,379 6,272,379 6,272,379 8 68,255,930 \$	6,135,296 6,146,447 6,146,447 6,146,447 6,146,447 6,146,447 6,146,447 6,285,630 6,285,630 6,272,379 6,272,379 6,272,379 6,272,379	
		Major Addition 1998	s/Retirements	an a	\$ 6.135.296			1	n ta ta an	e territoria a considerativa e presente e a cons	ana ya kasa a	at atoma an	erre en fantale are anderer	a baba ana sebendhalaka as		
	53 54	Routine Activit Historical Int Forecast Inte	ty erim Activity rim Activity		\$ 150,334 0.22% 0.22%	0.00%				 						
	55 56 57 58 59 60 61 62 63 64 65 66 67 70 71 72 73 73 73 73 75 76 77 78 80 81 82 83 84 85 86 87 88 89 90	2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2035 2035 2036 2037 2038 2039 2040 2041 2044 2045	36 35 34 33 30 29 28 27 26 25 24 25 24 25 24 25 24 25 24 25 24 25 24 25 24 25 24 21 19 19 18 17 16 15 14 13 12 21 9 8 7 6 5 4 3 2 2 10 9 9 9 8 7 6 5 5 4 3 10 9 9 9 8 7 7 9 9 9 8 7 7 9 9 9 9 9 9 9 9							13,815 13,845 13,876 13,907 13,968 13,997 14,029 14,060 14,029 14,122 14,153 14,123 14,123 14,123 14,247 14,278 14,216 14,247 14,256 14,556 14,256 14,255 14		(6,789,374).		6,286,194 6,300,039 6,313,915 6,327,822 6,341,759 6,355,727 6,369,725 6,383,755 6,379,815 6,4726,028 6,426,028 6,426,028 6,426,028 6,426,028 6,440,182 6,454,366 6,468,582 6,440,182 6,454,366 6,468,582 6,440,182 6,454,365 6,4646,582 6,4646,582 6,4647,108 6,554,547 6,556,262 6,579,941 6,652,262 6,670,922 6,685,615 6,700,340 6,715,098 6,772,9586 6,774,454 6,778,9374	
1 Startyre										\$ 6,802,626	s - W1	Whole Life I	Depreciation Ra H Gi Les Tot Forec Whole Cost of Ren Rate (Excludin) Depreciable Remaining L	tte Calculation istorical Additions Total Additions Total Additions Total Additions Socs Salvage Value as Cost of Removal- Net Salvage Value al to be Recovered cast Plant Balances E Life Accrual Rate g Cost of Removal) Service Life, years Life Depreciation R th Balance 12/31/08 Forecast Additions	\$ 303,503,255 6,825,630 516,995 6,802,626 339,469 7,142,094 303,503,255 2.35% 0.22% 2.58% 42.5 ate Calculation 6,272,379 516,995 339,469	
													Les	ss Cost of Removal Net Salvage Value cast Plant Balances	678,937 (339,469) 235,247,325	, (

Black Hills Po	wer Company			Co:	Gross Salvage st of Removal	5% 10%								
Unit Property	Depreciation R	ate Analysis			Net Salvage	-5%								
Unit Property	: Steam Produc	tion, Neil Simp	oson 2 Plant		Install Date	1998							2008	
				Re	tirement Date	2045 A7								
Historical and	Forecast Plant	Additions & F	Balances	34	VICE LING 113	47								
Account:	316 Miscellane	ous Power Equ	uipment	Initial	Plant Balance	0								
			101	(15)					~		80			011
	[A]	[B]	{C}	[D]	[16.]	{F}	[G]	[H]	[1]	[1]	[K]	[L]	[M]	[10]
			[Reported Po	er Books		Adjustments	to Transaction	[T	[EOY Plant Balance	•
	Vintage	Vintage	Tra	nsaction Year		Vintage Year	Y	ear	Adjusted Transa	action Year	Transfers and			
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions 1	Retirements	Adjustments	Adjustments	Per Books	Simulated
41	1998	47		279.045					279.045				279.045	279,045
42	1999	46		6,941					6,941	-	(79,068)		206,917	206,917
43	2000	45		13,614					13,614	•	38,764		259,296	259,296
44	2001	44		43,205					43,205	-			302,500	302,500
45	2002	43		7,632					35 386				345,739	345,739
47	2004	41		21,531					21,531				367,270	367,270
48	2005	40		69,107					69,107	•			436,377	436,377
49	2006	39		25,198	7,978	7,978			25,198	7,978	5,965		459,562	459,562
50	2007	38		20 114					20 114				439,362	439,302
52	Total	5,	<u>s</u> - s	521,993	\$ 7,978	\$ 7,978	s -	<u>s</u> -	\$ 521,993 \$	7,978	\$ (34,340)	S -	\$ 3,906,296	\$ 3,906,296
	Major Addition	s/Retirements		270.045										
	1998		3	279,045										
	Routine Activi	ty	s	242,948										
53	Historical Int	terim Activity		6.22%	0.20%									
54	Forecast Inte	rim Activity		6.22%	0.20%									
55	2009	36							29 833	980				508.529
56	2010	35							31,627	1,039				539,118
57	2011	34							33,530	1,101				571,547
58	2012	33							35,547	1,167				605,927
59	2013	32							37,685	1,237				642,374
60	2014	31							39,952	1,312				721 978
67	2015	29							44,903	1,571				765,407
63	2017	28							47,604	1,563				811,447
64	2018	27							50,467	1,657				860,257
65	2019	26							53,503	1,757				912,003
66	2020	25							56,721	1,863				966,862
67	2021	24							63,750	2,093				1,086,677
69	2023	23							67.585	2,000				1,152,043
70	2024	21							71,650	2,353				1,221,340
71	2025	20							75,960	2,494				1,294,806
72	2026	19							80,529	2,644				1,372,691
73	2027	18							85,373	2,803				1,455,261
74	2028	17							95,953	3,151				1,635,599
76	2030	15							101,724	3,340				1,733,983
77	2031	14							107,843	3,541				1,838,285
78	2032	13							114,330	3,754				1,948,862
79	2033	12							121,207	3,980				2,066,089
80 81	2034	10							136.228	4,219				2,322,122
82	2036	9							144,422	4,742				2,461,802
83	2037	8							153,109	5,028				2,609,884
84	2038	7							162,319	5,330				2,766,873
85	2039	6							172,083	5,651				2,933,306
80 87	2040	3							193.408	6,351				3,296,806
88	2042	3							205,042	6,733				3,495,115
89	2043	2							217,375	7,138				3,705,352
90	2044	1							230,451	7,567	(2.020.02)			3,928,236
91	2045	0							\$ 4 087 636	\$ 175.060	- (3,928,236) .		5 64 685 876
									0.01,000	J 120,000				- 01,003,020
											Whole Life l	Depreciation R	ate Calculation	
												1	Historical Addition	s 521,993
													rorecast Addition	s 3,305,643 a 4,027,626
												Ċ	ross Salvage Value	e 196.412
												Le	ss Cost of Remova	1 392,824
													Net Salvage Value	e (196,412)
												To	otal to be Recovered	d 4,284,047
												For	ecast Plant Balance	s 64,685,826
												Who	le Life Accrual Rat	e 6.62%
												Cost of Re	moval Accrual Rat	e 0.61%
										Who	ole Life Accrua	l Rate (Excludi	ng Cost of Remova	l) 7.23%
												Depreciabl	e Service Life, year	rs 15.1
												Remaining Accou	Life Depreciation nt Balance 12/31/0	Rate Calculation 8 479,676
													Forecast Addition	as 3,565,643
													Gross Salvage Valu	e 196,412
												L	ess Cost of Remova	ai 392,824
													men oarvage valu	

Forecast Plant Balances 60,779,529

Summary by Plant Black Hills Power Lange CT Facility

Account	Description	Direct Investment 2008\$	Depreciation Rate
341	Structure & Improvements	244,231	1.96%
342	Fuel Holders, Producers & Accessories	1,738,544	3.96%
343	Prime Movers		· · · · ·
344	Generators	26,038,901	1.94%
345	Accessory Electric Equipment	2,100,134	1.96%
346	Misc Plant Equipment	16,612	1.98%

Total

30,138,422

2.06% whole life weighted average rate

2.18%

Remaining Life Depreciation Rate Calculation

Per Books Balance @ 12/31/08	30,183,503
Forecast Interim Additions	16,498,012
Forecast Gross Salvage Value	4,206,009
Forecast Less Cost of Removal	3,297,292
Forecast Net Salvage Value	908,717
Forecast Total to be Recovered with COR	45,772,797
Forecast Total to be Recovered w/o COR	42,475,506
Accumulated Depreciation (2008 EOY)	(8,369,716)
Forecast Remaining Life Balance with COR	37,403,081
Forecast Remaining Life Balance w/o COR	34,105,790
Forecast Plant Balances	1,566,753,479
Remaining Life Rate with COR	2.39%

Remaining Life Rate w/o COR

	Black Hills Po	wer			~	Gross Salvage	8%								
	Unit Property	Depreciation Rate Analysis			C	ost of Removal Net Salvage	10% -2%								
	Unit Property	: Other Production, Lange Pl	aot		-	Install Date	2002								
					R Se	eurement Date rvice Life. Yrs	2050 48								
	Historical and	Forecast Plant Additions &	Balances			,									
	Account:	341 Structures & Improvem	ents		Initia	l Plant Balance	0								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	[N]
ł		гт		T	Reported	Per Books		Adjustments	to Transaction	r			r	EOV Plant Balance	
		Vintage	Vintage		Transaction Year	·	Vintage Year	Ye	ar	Adjusted Trans	saction Year	Transfers and		T	
1	Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustment	s Per Books	Simulated
	1	2002	48							-	•			-	-
	2	2003 2004	47 46		219,851 24,380					219,851 24,380	-			219,851 244,231	219,851 244,231
	4	2005	45		- ,,, , , ,					-	•			244,231	244,231
	5	2006	44 43								-			244,231	244,231
	7	2008	42							-	-			244,231	244,231
	8	Total		s -	\$ 244,231	s	s -	s -	s -	\$ 244,231	s -	s -	s -	\$ 1,441,004 \$	1,441,004
		Major Additions/Retirements													
		2003 Routine Activity			\$ 219,851 \$ 24,380										
	9	Historical Interim Activity			1.69%	0.00%									
	10	Forecast Interim Activity			0.00%	0.00%									
	11	2009	41								-				244,231
	12	2010	40							-	-				244,231
	14	2011	38							-					244,231
	15	2013	37							-	-				244,231
	16 17	2014 2015	36 35							-					244,231 244.231
	18	2016	34							-	•				244,231
	19	2017	33								•				244,231
	20	2019	31							-	-				244,231
	22	2020	30							•	-				244,231
	23	2021	29							-	-				244,231
	25	2023	27							-	-				244,231
	26 27	2024	26 25							-	-				244,231 244,231
	28	2026	24								-				244,231
	29	2027	23							م	-				244,231
	30	2028	22							-	-				244,231 244,231
	32	2030	20							•	-				244,231
8	33 34	2031 2032	19								-				244,231 244,231
	35	2033	17								-				244,231
	36	2034	16							•	-				244,231
	38	2036	14							-	-				244,231
	39	2037	13							•	-				244,231
	40	2038	11								-				244,231
	42	2040	10							•	•				244,231
	43 44	2041	8												244,231
	45	2043	7							-	-				244,231
	46 47	2044	6												244,231 244,231
	48	2046	4							•	-				244,231
	49	2047	3								-				244,231
	51	2048	1							-	-				244,231
	52	2050	0							\$ 244,231		(244,23)	1)	-	\$ 11,454,456
											, -		.	D C • • • •	
												Whole Life	Depreciation I	Rate Calculation listorical Additions	244,231
														Forecast Additions	
														Total Additions	244,231
													Le	ss Cost of Removal	24,423
													т	Net Salvage Value	(4,885)
															247,113
													Fore	cast Plant Balances	11,454,456
													Who	e Life Accrual Rate	2.17%
											Who	le Life Accrual	Cost of Re Rate (Excludi	moval Accrual Rate	0.21%
											1110	ie Eneriodium	Depreciable	e Service Life, years	46.0
													Remainin	g Life Depreciation	Rate Calculatie
													Accou	nt Balance 12/31/08	244,231
													ſ	rorecast Additions Gross Salvage Value	19.538
													L	ess Cost of Removal	24,423
														Net Salvage Value	(4,885)
													For	ecast Plant Balances	10,013,453

Black Hills P	ower				Gross Salvage	8%									
Unit Property	Depreciation Ra	ate Analysis			Net Salvage	-2%									
Unit Property	: Other Product	ion, Lange Pl	ant	Re	Install Date tirement Date	2002 2050							2008		
Wittenlast on	d Koucoust Blant	Additions 8	Palanaar	Ser	vice Life, Yrs	48							· · · ·		
Account:	342 Fuel Holde	rs, Producers	& Accessories	Initial	Plant Balance	0									
	[A]	(B)	(C)	(D)	DE1	161	[G]	1911	m	LD.	1K1	IL)	IMI	IN	
			1°1	[- -]		۲۹) ۲۰۰۰ (۲۹۹	101	·	[*]			,	[]		
	Vintage	Vintage	1 - E.,	Reported P Transaction Year	er Books	Vintage Year	Adjustme	nts to Transaction Year	Adjusted Trans	action Year	Transfers and		EOY Plant Balanc	e	
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Addition	s Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated	
1	2002	48							-	-					
2	2003	47		1,738,544					1,738,544				1,738,544	1,738,544	
4	2005	45											1,738,544	1,738,544	
5	2006	44 43							-	-			1,738,544	1,738,544	
7	2008	42							<u> </u>				1,738,544	1,738,544	
8	Total		5 -	\$ 1,738,544	s -	s -	s -	· \$ -	\$ 1,738,544	s -	s .	s -	\$ 10,431,266	\$ 10,431,266	
	Major Additions	s/Retirements		5 1 729 544											
	Routine Activity	ý		\$ 1,750,544 \$ -											
9	Historical In Forecast Inte	terim Activity	1	0.00%	0.00%										
	TOTOLOGI IND	ann richtur.	an na sa		0.0070	n na 1995, sugar su na su				an an the transformer of the	en en el construction per un construction de	an ng mana kana kana kan na kana ka	en e	a na migrafian ni Aato maaaataa da	an an an an an an ann an ann an an Annaichte
. 11	2009 2010	41 40							-	-				1,738,544 1,738,544	
13	2011	39							-					1,738,544	
14	2012 2013	38 37							2,171,729	-				3,910,273	
16	2014	36							-	-				3,910,273	
17	2015	33							-	-				3,910,273	
19	2017	33							-	-				3,910,273 3,910,273	
20	2019	31							-					3,910,273	
22 23	2020 2021	30 29							2,581,503	•				6,491,776 6,491,776	
24	2022	28							-					6,491,776	
25	2023	27 26							-	-				6,491,776	
27	2025	25							-	-				6,491,776	
28	2028	24							3,068,596	-				9,560,372	
30	2028	22 71							-	-				9,560,372 9,560,372	-0200-
32	2030	20							-	•		1		9,560,372	
33 34	2031 2032	19 18							-					9,560,372 9,560,372	
35	2033	17							-	•				9,560,372	408jjinn -
36	2034	16							3,647,596	-				13,207,968	
- 38	2036	14							-					13,207,968	
40	2037	12							-					13,207,968	
41	2039 2040	11							-	-				13,207,968 13,207,968	
43	2041	9							4,335,846					17,543,814	
44 45	2042 2043	8							-	-				17,543,814	
46	2044	6							-	-				17,543,814	
47	2045	4							-	-				17,543,814	
49	2047	3							-					17,543,814 17 543 814	
51	2049	ĩ							-	-				17,543,814	
52	2050	0							\$ 17,543,814	<u>s</u> -	(17,543,814	•)	-	\$ 407,472,505	
											Whole I ife Dee	reciption Pote C	alculation		
											to one rate Del	Hi	storical Additions	1,738,544	
												F	orecast Additions Total Additions	15,805,270 17.543.814	
												Gro	ss Salvage Value	1,403,505	
												Less	Lost of Removal let Salvage Value	(350,876)	
												Tota	I to be Recovered	17,894,691	
												Foreca	ist Plant Balances	407,472,505	
												Whole	Life Accrual Rate	4.39%	
											What Fig. 1	Cost of Rem	oval Accrual Rate	0.43%	
											whose Life Accruz	a Kate (Excluding	LOSI Of Removal	3.96%	
	•											Depreciable S	iervice Life, years	22.8	
												Remaining Li Account	fe Depreciation I Balance 12/31/08	late Calculation 1,738.544	
												I	orecast Additions	15,805,270	
												Gn Les	is Saivage Value Cost of Removal	1,403,505	
												1	let Salvage Value	(350,876)	and the second
												Forec	ast Plant Balances	397,041,239	

Bla	ick Hills Po	wer			G	ross Salvage	10%									
Un	it Property	Depreciation R	tate Analysis		005	Net Salvage	5%									
Un	it Property	: Other Produc	tion, Lange Pla	ant	Ret	Install Date irement Date	2002 2050								2008	
Hi	storical and	l Forecast Plant	Additions & E	Balances	Serv	ice Life, Yrs	48									
Ac	count:	344 Generator	s		Initial F	lant Balance	0									
		[A]	[B]	[C]	[D]	[E]	[F]	[G]		[H]	(1)	[J]	[K]	[L]	[M]	[N]
Γ		Vintage	Vintage		Reported Pe	r Books	Vintage Vear	Adjustme	nts to Tr	ansaction	Adjusted Tran	action Year	Transfers and		EOY Plant Balanc	e
L	Line	Year	Age	Beg Balance	e Additions I	Retirements	Retirements	Addition	s Re	tirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
	1	2002	48								-	-				-
	2 3	2003 2004	47 46		25,997,285 10,225						25,997,285 10,225	-			25,997,285 26,007,510	25,997,285 26,007,510
	4 5	2005 2006	45 44								-	-			26,007,510 26,007,510	26,007,510 26,007,510
	6	2007	43		55,005	23,614					55,005	23,614			26,038,901	26,038,901
	8	Total	72	s -	\$ 26,062,515 \$	23,614	s -	\$ -	S	-	\$ 26,062,515	\$ 23,614	s -	s -	\$ 156,097,616	\$ 156,097,616
		Major Addition	15/Retirements													
		2003 Routine Activit	ty		\$ 25,997,285 \$ 65,230											
	9 10	Historical I Forecast In	interim Activity terim Activity		0.04% 0.04%	0.02%										
	11	2009	41								10 881	3 939				26 045 843
	12	2009	40								10,884	3,940				26,052,786
	13 14	2011 2012	39 38								10,887 10,890	3,941 3,942				26,059,732 26,066,680
	15 16	2013 2014	37 36								10,893 10,896	3,943 3,944				26,073,629 26,080,580
	17	2015	35								10,898	3,945				26,087,533
	19	2018	33								10,901	3,940				26,101,445
	20 21	2018 2019	32 31								10,907 10,910	3,949 3,950				26,108,404 26,115,364
	22 23	2020	30 29								10,913 10,916	3,951 3,952				26,122,327 26,129,291
	24	2022	28								10,919	3,953				26,136,257
	25 26	2023	26								10,922	3,954				26,143,223
	27 28	2025 2026	25 24								10,928 10,930	3,956 3,957				26,157,166 26,164,140
recta _l	29	2027	23								10,933	3,958				26,171,115
1	31	2028	21								10,939	3,960				26,185,072
	32 33	2030 2031	20 19								10,942 10,945	3,961 3,962				26,192,053 26,199,035
	34 35	2032	18 17								10,948 10,951	3,963 3,964				26,206,020 26,213,007
	36	2034	16								10,954	3,965				26,219,995
	38	2035	13								10,960	3,968				26,233,977
	39 40	2037 2038	13 12								10,963 10,966	3,969 3,970				26,240,971 26,247,967
	41 42	2039 2040	11 10								10,968 10,971	3,971 3,972				26,254,965 26,261,964
	43	2041	9								10,974	3,973				26,268,966
	44 45	2042 2043	8								10,980	3,975				26,282,974
	46 47	2044 2045	6 5								10,983 10,986	3,976 3,977				26,289,981 26,296,990
	48 49	2046 2047	4								10,989 10,992	3,978 3,979				26,304,001 26,311,014
	50	2048	2								10,995	3,980)			26,318,028
	52	2050	0								6 24 611 024	5,707	(26,136,25	7)		<u></u>
											3 20,311,026	ə 160,981				3 1,227,070,890
													Whole Life	Depreciation R	are Calculation listorical Additions	s 26,062,515
															Forecast Additions Total Additions	s 448,511 s 26.511.026
														G	ross Salvage Value	2,613,626
															Net Salvage Value	1,306,813
														10	tal to be Recovered	1 25,204,213
														Fore	cast Plant Balances	s 1,229,690,890
														Who Cost of Re	e Life Accrual Rate moval Accrual Rate	e 2.05% e 0.11%
												Wi	ole Life Accru	al Rate (Excludi	ng Cost of Remova	1) 1.94%
														Depreciabl	e Service Life, year	rs 51.5
														Remaining	Life Depreciation	Rate Calculation
														Account	Forecast Addition	448,511
														(L	ross Salvage Valu ess Cost of Remova	e 2,613,626 al 1,306,813
															Net Salvage Valu	e 1,306,813
														For	ecast Plant Balance	s 1,073,593,274

Black Hills Po Unit Property Unit Property	ower 7 Depreciation F 7: Other Produc	late Analysis tion, Lange Pla	nt	C	Gross Salvage ost of Removal Net Salvage Install Date Retirement Date	8% 10% -2% 2002 2050								2008		\bigcirc
Historical and	i Forecast Plant	Additions & F	alances	Si	ervice Life, Yrs	48										N.1
Account:	[A]	[B]	IC)	(D)	IE)	IF]	IG		H	П	IJ	[K]	L.	[M]	[N]	
	1.3 1.2			Reported	Per Books	n en el estatoria.	Adjustm	ents to Tr	ransaction			<u> </u>	[]	EOY Plant Balanc	c	
Line	Vintage Year	Vintage Age	Beg Balan	Transaction Yea	r Retirements	Vintage Year Retirements	Additio	Year ns R	etirements	Adjusted Tran Additions	saction Year Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated	
1	2002	48								•	+			· · · · · · · · · · · · · · · · · · ·		•
23	2003 2004	47 46		2,100,134						2,100,134				2,100,134 2,100,134	2,100,134 2,100,134	
4 5	2005 2006	45 44								-	-			2,100,134 2,100,134	2,100,134 2,100,134	
6 7	2007	43 42								-	-			2,100,134	2,100,134	
8	Totai	n /D -simo- subs	2 .	\$ 2,100,134	5 -	5	5	- 5	-	\$ 2,100,134	3 -	3 -	3 -	\$ 12,600,807	12,000,807	
	2003 Routine Activi	ty		\$ 2,100,134												
	Historical	interim Activity	e transe - week	0.00%	0.00%		· · · · · · · · · · · · · ·			1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.	ana ing pangangan	a de las de las 1973 a las disponsas de las de las	and the second	and a second		en en en de Staaren we
10	2009	Al		0.0078	0.0076						-				2.100.134	
12	2010	40													2,100,134	
14	2012	38								-	-				2,100,134	
16	2013	36								-					2,100,134	
18	2016	34 33								-	-				2,100,134 2,100,134	
20	2018	32 31								-	-				2,100,134 2,100,134	
22	2020	30 29								-	-				2,100,134 2,100,134	
24 25	2022 2023	28 27								-	•				2,100,134 2,100,134	
26 27	2024 2025	26 25								•	•				2,100,134 2,100,134	
28 29	2026 2027	24 23								-	•				2,100,134 2,100,134	
- 30 31	2028 2029	22 21								-	-				2,100,134 2,100,134	(***
32 33	2030 2031	20 19								-	-				2,100,134 2,100,134	
34 35	2032 2033	18 17								•	-				2,100,134 2,100,134	
36 37	2034 2035	16 15								-	-				2,100,134 2,100,134	
38 39	2036 2037	14 13								-	-				2,100,134 2,100,134	
40 41	2038 2039	12 11								-	-				2,100,134 2,100,134	
42 43	2040 2041	10 9								-	-				2,100,134 2,100,134	
44 45	2042 2043	8 7								-	-				2,100,134 2,100,134	
46 47	2044 2045	6 5								-					2,100,134 2,100,134	
48	2046 2047	4								-	•				2,100,134	
50 51	2048 2049	2								-		(2 100 124	0		2,100,134	
52	2050	U								\$ 2,100,134	s -		•)	-	\$ 98,706,320	
												Whole Life	Depreciation R His F	ate Calculation storical Additions orecast Additions	2,100,134	
													Gro	Total Additions ss Salvage Value	2,100,134 168,011	
													Less N	Cost of Removal let Salvage Value	210,013 (42,003)	
													Tota Foreca	l to be Recovered ist Plant Balances	2,142,137 98,706,320	
											Who	ole Life Accrual I	Whole Cost of Rem Rate (Excluding	Life Accrual Rate oval Accrual Rate Cost of Removal)	2.17% 0.21% 1.96%	
													Depreciable S	Service Life, years	51.1	
													Remaining Account H	Life Depreciation	Rate Calculation 2,100,134	
													r Gro Less N	Sort of Removal Vet Salvage Value	168,011 210,013 (42,003)	C
													Forec	ast Plant Balances	86,105,513	

	Black Hills Po Unit Property Unit Property	ower 9 Depreciation F 9: Other Produc	Rate Analysis tion, Lange Pla	int	Co: Rec Ser	Gross Salvage st of Removal Net Salvage Install Date tirement Date	8% 10% -2% 2002 2050 48							2008	
	Historical and Account:	i Forecast Plant 346 Miscelland	t Additions & I eous Plant Equ	Balances ipment	Initial	Plant Balance	0								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J]	[K]	[L]	[M]	[N]
	Line	Vintage Year	Vintage Age	Beg Baland	Reported Ported	er Books Retirements	Vintage Year Retirements	Adjustments Y Additions	s to Transaction (ear Retirements	Adjusted Transa Additions	action Year Retirements	Transfers and Adjustments	Adjustments	EOY Plant Balance Per Books	Simulated
	1 2 3 4 5 6 7 8	2002 2003 2004 2005 2006 2007 2008 Total	48 47 46 45 44 43 42	\$	7,927 8,685		<u> </u>	<u> </u>		7,927 8,685	-	<u>s</u>	s	7,927 16,612 16,612 16,612 16,612 16,612 5 90,985 \$	7,927 16,612 16,612 16,612 16,612 16,612 16,612
	9 10	Major Addition 2003 and 2004 Routine Activi Historical I Forecast In	ns/Retirements ty Interim Activity tterim Activity		\$ 16,612 \$ - 0.00% 0.00%	0.00%		9 -		9 10 <u>5</u> 012 9		v –		u 30,300 u	201202
- village	11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 23 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52	2009 2010 2011 2012 2013 2014 2015 2016 2017 2016 2017 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2035 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2044 2045 2046 2047 2048 2049 2050	41 40 39 38 37 36 35 34 33 32 31 30 29 28 27 26 25 24 23 22 21 20 19 18 17 16 15 14 13 12 21 20 19 18 17 16 5 4 3 22 21 19 18 7 7 6 5 5 4 3 22 21 10 9 9 8 7 7 26 25 24 21 9 9 8 7 7 26 25 24 21 9 9 28 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 27 26 25 24 21 20 29 28 27 26 25 24 21 20 29 28 27 26 25 24 27 26 25 24 27 26 25 24 21 20 29 28 27 26 25 24 21 20 29 28 27 26 25 24 20 29 28 27 20 29 28 27 20 29 28 27 20 29 28 27 20 29 28 27 20 29 28 27 20 29 20 20 20 20 20 20 20 20 20 20 20 20 20		0.0079	0.00%					- - - - - - - - - - - - - - - - - - -	(16,612 Whole Life :	e) Depreciation H G Les To	Rate Calculation listorical Additions Forecast Additions Total Additions Total Additions Salvage Value ss Cost of Removal Net Salvage Value tai to be Recovered	16,612 16
											Who	ole Life Accrual 1	Fore Whole Cost of Rer Rate (Excludir	cast Plant Balances e Life Accrual Rate noval Accrual Rate ug Cost of Removal)	772,060 2.19% 0.22% 1.98%
													Depreciable	Service Life, years	45.6
and the second s													Remaining Account G Le Fore	g Life Depreciation Balance - 12/31/08 Forecast Additions iross Salvage Value ss Cost of Removal Net Salvage Value ccast Plant Balances	Rate Calculati 16,612 1,329 1,661 (332) 681,075

Summary by Plant Black Hills Power Neil Simpson CT Facility

Account	Description	Direct Investment 2008\$	Depreciation Rate
341	Structures & Improvements	168,200	2.99%
342	Fuel Holders, Producers & Accessories	2,097,317	8.31%
343	Prime Movers		
344	Generators	24,290,109	2.25%
345	Accessory Electric Equipment	1,981,194	2.35%
346	Misc Power Equipment	51,539	4.97%

Total

28,588,359

2.71% whole life weighted average rate

Remaining Life Deprec	iation Rate Calculation
Per Books Balance 12/31/08	29,130,532
Forecast Interim Additions	21,399,564
Forecast Gross Salvage Value	4,466,845
Forecast Less Cost of Removal	3,568,411
Forecast Net Salvage Value	898,433
Forecast Total to be Recovered with COR	49,631,663
Forecast Total to be Recovered w/o COR	46,063,251
Accumulated Depreciation (2008 EOY)	(9,850,982)
Forecast Remaining Life Balance with COR	39,780,680
Forecast Remaining Life Balance w/o COR	36,212,269
Forecast Plant Balances	1,584,710,507
Remaining Life Rate with COR	2.51%
Remaining Life Rate w/o COR	2.29%

Black Hills Po	wer				G	iross Salvage	8%									
Unit Property Unit Property	Depreciation R : Other Produc	tate Analysis tion, Neil Simj	pson Plant		Cos	Net Salvage Install Date irement Date	-2% 2000 2050								2008	
Historical and Account:	l Forecast Plant 341 Structures	Additions & l & Improvem	Balances ents		Serv Initial I	vice Life, Yrs Plant Balance	50									
	[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]		[1]	[J]	[K]	[L]	[M]	[N]
Line	Vintage Year	Vintage Age	Beg Balanc	Trans:	Reported Pe action Year dditions	r Books Retirements	Vintage Year Retirements	Adjustmer Addition	nts to Transactio Year Retiremer	on Adj hts Ad	justed Trans	saction Year Retirements	Transfers and Adjustments	Adjustments	EOY Plant Balance Per Books	Simulated
1	2000	50									-				-	-
2	2001	49			152,735						152,735	-			152,735	152,735
4	2002	48									-	•			152,735	152,735
5 6	2004 2005	46 45			15,465						15,465				168,200 168,200	168,200
7 8	2006	44 43									•	-			168,200	168,200 168,200
9	2008	42			168 200 6		~~~~~~		~		-		¢	· · · · · ·	168,200	168,200
10	Major Addition	1s/Retirements	3.	3	166,200 3	-	3 -	3 -	3.	. 3	108,200	3 -	3 -	з -	3 1,299,200 3	1,299,200
	2001 Routine Activit	ty		S S	152,735 15,465											
11 12	Historical Int Forecast Inte	terim Activity rim Activity			1.19% 1.19%	0.00% 0.00%										
13	2009	41									2,002	-				170,202
14 15	2010 2011	40 39									2,026 2,050	-				172,229
16 17	2012 2013	38 37									2,075	-				176,353 178,453
18	2014	36									2,124	-				180,577
20	2015	35 34									2,130	-				184,901
21 22	2017 2018	33 32									2,201 2,227	-				187,102 189,330
23	2019	31									2,254	-				191,583
25	2021	29									2,308	-				196,172
26 27	2022 2023	28 27									2,335 2,363	•				198,507 200,870
28 29	2024	26 25									2,391 2,420	-				203,261 205,681
30	2026	23									2,448					208,129
31 32	2027 2028	23 22									2,478 2,507	-				210,606
33 34	2029	21									2,537 2,567	-				215,650 218,217
35	2031	19									2,598	-				220,815
36 37	2032 2033	18									2,629 2,660	-				223,443 226,103
38 39	2034 2035	16 15									2,691 2,724	-				228,795 231,518
40	2036	14									2,756	-				234,274
41 42	2037	13									2,789	-				239,885
43 44	2039 2040	11 10									2,856 2,890	-				242,740 245,630
45	2041	9									2,924	-				248,554
40	2042	7									2,939	-				254,506
48 49	2044 2045	6 5									3,030 3,066	-				257,536 260,602
50	2046	4									3,102	-				263,704
52	2048	2									3,176	-				270,019
53 54	2049 2050	1 0								S	3,214	- S -	(273,234)	-	273,234
													Whole Life	Depreciation R	ate Calculation	160 200
														1	Forecast Additions	105,033
														G	Total Additions ross Salvage Value	273,234 21,859
														Le	ss Cost of Removal	27,323
														То	tal to be Recovered	278,698
														Fore	cast Plant Balances	10,227,789
												w	hole Life Accrua	w noi Cost of Re l Rate (Excludii	moval Accrual Rate ng Cost of Removal	0.27%
														Depreciable	e Service Life, years	36.7
														Remaining Account	Life Depreciation I nt Balance 12/31/08	Rate Calculation 168.200
															Forecast Additions	105,033
														L	ess Cost of Removal	27,323
															Net Salvage Value	(5,465)

Forecast Plant Balances 8,928,583

- Acceleration -	Black Hills Po Unit Property Unit Property: Historical and Account:	wer Depreciation 1 : Other Product Forecast Plan 342 Fuel Hold	Rate Analysis ction, Neil Sim t Additions & i lers, Producers	pson Plant Balances 5 & Accessories	G Cos Ret Serv Initial F	ross Salvage t of Removal Net Salvage Install Date tirement Date vice Life, Yrs Plant Balance	8% 10% -2% 2000 2050 50						, ,	2008		\bigcirc
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J]	[K]	[L]	[M]	[N]	
ļ]			Reported Pe	r Books	يىن ئىۋىمىر	Adjustments to	o Transaction	وربي الأكريزيون]	OY Plant Balance		
	Line	Vintage Year	Vintage Age	Beg Balance	Additions	Retirements	Vintage Year Retirements	Additions	ar Retirements	Adjusted Trans Additions	Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated	
	1	2000	50							-	-			· •	-	
	2	2001	49 48		838,521					838,521				838,521	838,521	
	4	2003	47								-			838,521	838,521	
	6	2004	40							-	-			838,521	838,521	
	8	2006	44 43		1,258,796					1,258,796	-			2,097,317 2,097,317	2,097,317	
	9 10	2008 Total	42	<u>s</u> -	\$ 2,097,317 \$		-	s -	s -	\$ 2,097,317	\$	s -	s -	2,097,317 \$ 10,484,559	2,097,317	
		Major Additio	ns/Retirements													
	· · · · · · · · · · · · · · · · · ·	2001 Routine Activi		en le construction de la construcción de la	\$ 838,521 \$ 1,258,796	e tradition tradition de local				al and a second stranger and	an tha tha ba ba ba an	ana mangana kana mangana sa	nin tea na tates da t	alar ha Dalamada a sebelara sa sa	at any survey to the tax of a stress	
	11	Routine Addit Historical In	ions terim Activity		\$ - 0.00%	0.00%										
	12	Forecast Inte	rim Activity		0.00%	0.00%						an a				
	13	2009	41							1,827,000					3,924,317	
	14	2010	39							-	-				3,924,317	
	16 17	2012 2013	38 37							•	-				3,924,317 3,924,317	
	18 19	2014 2015	36 35							-					3,924,317 3,924,317	
	20 21	2016 2017	34 33							2,171,729					6,096,046 6,096,046	
	22 23	2018 2019	32 31							-	-				6,096,046 6,096,046	
	24 25	2020 2021	30 29							-					6,096,046 6,096,046	
	26	2022	28							2 581 503	•				6,096,046 8,677,549	
	28	2023	26								-				8,677,549	
	30	2023	23								-				8,677,549	
	31	2027	23							-					8,677,549	
	33 34	2029 2030	21 20							3,068,596	•				8,677,549 11,746,145	
	35 36	2031 2032	19 18							-	-				11,746,145 11,746,145	
	37 38	2033 2034	17 16							-	-				11,746,145 11,746,145	
	39 40	2035 2036	15 14								-				11,746,145	
	41 42	2037 2038	13 12							3,647,596	-				15,393,741 15,393,741	
	43	2039	11							-	-				15,393,741	
	45	2041	9								-				15,393,741	
	40	2042	7							4 776 946	-				15,393,741	
	48	2044	5							4,555,640	-				19,729,587	
	51	2046	4							-	-				19,729,587	
	52 53	2048 2049	2							-	-				19,729,587 19,729,587	
	54	2050	0							\$ 19,729,587	s -	(19,729,587))	-	s 449,726,675	
												Whole Life I	Depreciation Ra H I	te Calculation storical Additions forecast Additions	2,097,317 17,632,270	
													Gr	1 otal Additions oss Salvage Value	1,578,367	
													Les	S Cost of Removal	1,972,959 15,659,311	
													Tot	al to be Recovered	35,388,898	
													Forec	ast Plant Balances	449,726,675	
											Wł	iole Life Accrual	Whole Cost of Rem Rate (Excluding	Life Accrual Rate oval Accrual Rate (Cost of Removal)	7.87% 0.44% 8.31%	
													Depreciable	Service Life, years	12.7	
													Remaining L Account	ife Depreciation I Balance 12/31/08 Forecast Additions oss Salvage Value s Cost of Removal Net Salvage Value	2,097,317 2,097,317 17,632,270 1,578,367 1,972,959 (394,592) 439,242,117	C

	Black Hills Po Unit Property Unit Property	wer Depreciation F : Other Produc	Rate Analysis ction, Neil Simp	pson Plant	Co: Re	Bross Salvage st of Removal Net Salvage Install Date threment Date	10% 5% 5% 2000 2050								2008	
	Historical and	i Forecast Plant	t Additions & l	Balances	Ser	vice Life, Yrs	50									
	Account:	344 Generator	rs m	10	Initial	Plant Balance	0	10				(7)	122	a).	80	DI
		[A]	ره <u>ر</u> 	ايما ۲	[D]		[F]			[n]	[4]	[]]	[k]	[L]	INI	[M]
		Vintage	Vintage		Transaction Year	ET BOOKS	Vintage Year	Adjustmer	Year	insaction	Adjusted Tra	saction Year	Transfers and		EOY Plant Balance	<u> </u>
	Line	Year	Age	Beg Balance	e Additions	Retirements	Retirements	Additions	Rei	brements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
	1 2	2000 2001	50 49		23,815,629						23,815,629	-			23,815,629	23,815,629
	3 4	2002 2003	48 47		280,438						280,438	•			24,096,067 24,096,067	24,096,067 24,096,067
	5	2004	46 45								-				24,096,067	24,096,067
	7	2005	44		(1.204	160.000						-			24,096,067	24,096,067
	8	2007	43 42		290,651	180,003	-				290,651				23,999,438	24,290,109
	10	Total		s -	\$ 24,450,112	\$ 160,003	s -	s -	S	-	\$ 24,450,112	\$ 160,003	s -	5 -	\$ 192,585,529	\$ 192,585,529
		Major Addition 2001	ns/Retirements		\$ 23,815,629											
	11	Routine Activi Historical In	ity iterim Activity		\$ 634,483 0.33%	0.08%										
	12	Forecast Inte	erim Activity		0.33%	0.08%										
	13	2009	41								80,025	20,181				24,349,953
	15	2010	39								80,420	20,230				24,470,085
	16 17	2012 2013	38 37								80,618 80,817	20,330 20,380				24,530,372 24,590,809
	18 19	2014 2015	36 35								81,016 81,215	20,430 20,481				24,651,394 24,712,129
	20 21	2016	34 33								81,415	20,531 20,582				24,773,013 24,834,047
	22	2018	32								81,817	20,633				24,895,231
	23	2019	30								82,013	20,083				25,018,053
	25	2021	29								82,423	20,785				25,141,481
	27 28	2023 2024	27 26								82,830 83,034	20,888 20,939				25,203,423 25,265,517
20550	29 30	2025 2026	25 24								83,239 83,444	20,991 21,043				25,327,765 25,390,166
	31	2027	23								83,649 83,855	21,095				25,452,720
	33	2029	21								84,062	21,199				25,578,292
	34	2030	20 19								84,209 84,477	21,251				25,704,484
	36 37	2032 2033	18 17								84,685 84,893	21,356 21,408				25,767,813 25,831,298
	38 39	2034 2035	16 15								85,103 85,312	21,461 21,514				25,894,939 25,958,738
	40 41	2036 2037	14 13								85,522 85,733	21,567 21,620	1			26,022,693 26,086,806
	42	2038	12								85,944	21,673				26,151,077
	44	2039	10								86,368	21,780	I			26,280,095
	45 46	2041	8								86,794	21,834				26,344,842
	47 48	2043 2044	7 6								87,008 87,223	21,942 21,996				26,474,815 26,540,042
	49 50	2045 2046	5 4								87,438 87,653	22,050 22,104) - -			26,605,430 26,670,979
	51 52	2047 2048	3 2								87,869 88,085	22,159)			26,736,689 26,802,561
	53	2049	1								88,302	22,268	(26 868 595	a		26,868,595
	54	2050	v								\$ 27,898,110	\$ 1,029,514		,		\$1,241,740,070
													Whole Life	Depreciation R	ate Calculation	24 450 112
														I	Forecast Additions	3,447,998
														G	Total Additions ross Salvage Value	27,898,110 2,686,860
														Le	ss Cost of Remova Net Salvage Value	1,343,430
														To	tal to be Recovered	26,554,680
														Fore	cast Plant Balances	1,241,740,070
												WI	iole Life Accrua	Whol Cost of Re I Rate (Excludin	e Life Accrual Rate moval Accrual Rate ng Cost of Remova	e 2.14% e 0.11% l) 2.25%
														Depreciable	e Service Life, year	s 46.8
														Remaining Accour La	Life Depreciation nt Balance 12/31/0 Forecast Addition Gross Salvage Valu ss Cost of Remova	Rate Calculation 8 24,290,109 s 3,447,998 e 2,686,860 il 1,343,430
														**	Net Salvage Valu	e 1,343,430
														For	ccast Plant Balance	s 1,049,154,542

and the second se	Black Hills Pe Unit Property Unit Property Historical and Account:	ower y Depreciation F y: Other Produc d Forecast Plan 345 Accessory	Rate Analysis tion, Neil Sim t Additions & Electric Equi	pson Plant Balances pment	Co Re Ser Initial	Gross Salvage st of Removal Net Salvage Install Date etirement Date vice Life, Yrs Plant Balance	8% 10% -2% 2000 2050 50							2008		0
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[J]	[K]	[L]	[M]	[N]	
	Line	Vintage Year	Vintage Age	T Beg Balance	Reported P ransaction Year Additions	er Books Retirements	Vintage Year Retirements	Adjustments Additions	s to Transaction Year Retirements	Adjusted Tran Additions	nsaction Year Retirements	Transfers and Adjustments	I Adjustments	EOY Plant Balanc Per Books	Simulated	
	1 2 3 4 5 6 7 7 8 9 10	2000 2001 2002 2003 2004 2005 2006 2007 2008 Total	50 49 48 47 46 45 44 43 42	<u> </u>	1,961,964 19,230 \$ 1,981,194	s	s -	s -	s	1,961,964 19,230 - - - - - - - - - - - - - - - - - - -		s	s -	1,961,964 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 5 15,830,321	1,961,964 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194 1,981,194	
~	11 12	Major Additio 2001 Routine Activi Historical In Forecast Inte	ns/Retirements ity terim Activity erim Activity		\$ 1,961,964 \$ 19,230 0.12% 0.12%	0.00%	e en		eromolist tracké krava	energen en solet o con en e	an sa bar 10 darahasanan d	n met of the Sector Security Security	e 19 f. mart an fille an a' fill a stàiteachadh 19 f. mart an stàite an stàiteachadh	, i , naango, , nafimanango, ,		-144 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
	13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 45 50 51 52 53 54	2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2024 2025 2026 2027 2028 2029 2030 2031 2031 2031 2033 2034 2035 2036 2037 2038 2039 2030 2031 2035 2036 2037 2038 2039 2040 2041 2042 2044 2045 2044 2045 2044 2045 2047 2048 2049 2050	41 40 39 38 37 36 35 34 33 32 31 30 29 28 27 26 25 24 22 21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 22 11 0 0							2,407 2,410 2,412 2,415 2,414 2,421 2,424 2,427 2,430 2,433 2,436 2,439 2,442 2,445 2,448 2,451 2,445 2,448 2,451 2,454 2,457 2,469 2,472 2,445 2,448 2,451 2,454 2,457 2,469 2,472 2,475 2,478 2,481 2,481 2,481 2,481 2,481 2,481 2,481 2,481 2,481 2,481 2,481 2,481 2,490 2,505 2,508 2,511 2,514 2,514 2,512		(2,082,300			1,983,600 1,986,010 1,988,422 1,990,838 1,993,256 1,995,677 1,998,102 2,000,529 2,007,828 2,010,267 2,012,709 2,015,154 2,012,709 2,015,154 2,012,709 2,025,256 2,022,506 2,024,963 2,027,423 2,027,423 2,027,423 2,037,259 2,047,209 2,047,209 2,044,725 2,044,725 2,044,725 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,054,678 2,056,699 2,072,213 2,077,7250 2,077,74 2,082,300 2,077,745 2,064,680 2,057,259 2,077,250 2,079,774 2,082,300 2,077,740 2,082,300 2,077,740 2,079,774 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,082,300 2,077,740 2,079,774 2,082,300 2,077,740 2,079,774 2,082,300 2,077,740 2,079,774 2,082,300 2,077,740 2,079,774 2,082,300 2,077,740 2,079,774 2,082,300 2,077,740	
										\$ 2,082,300	s -	Whole Life	Depreciation Ra	ate Calculation	\$ 99,165,316 s 1.981,194	
	ı											kolo I ife data	I Gr Les Tot Forec Cost of Rem	Forecast Addition Total Addition ross Salvage Valu is Cost of Remove Net Salvage Valu al to be Recovere cast Plant Balance E Life Accrual Rat noval Accrual Rat	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	
											w	INTE LUC ACCTU	Depreciable Remaining L Account	Service Life, yea life Depreciation t Balance 12/31/0 Forecast Addition	Rate Calculation 8 1,981,194 101,106	C
													Gi Les Forec	ross Salvage Valu ss Cost of Remova Net Salvage Valu cast Plant Balance	e 166,584 al 208,230 e (41,646) s 83,334,995	*
Black Hills P	ower				Gross Salva	ge 8%	6									
--------------------------------	-------------------------------------	---------------------------------	-------------	--------------------------------------	---	---	------------------------	------------------	----------------------------	-----------	-------------------------------	-----------	------------------------------	--	--	--------------------------------
Unit Property Unit Property	y Depreciation F y: Other Produc	Rate Analysis tion, Neil Sim	oson Plant		Cost of Remov Net Salva Install Da Retirement Da	ral 10% ge -2% ite 200 ite 205	6 6 0								2008	
Historical and Account:	d Forecast Plant 342 Misc Plant	t Additions & i t Equipment	Balances	In	Service Life, Y itial Plant Balan	rs 5 ce 0)									
	[A]	[B]	[C]	[D]	[E]	[F]	[G	I	[H]		[1]	ເຫ	[K]	[L]	[M]	[N]
Line	Vintage Year	Vintage Age	Beg Balance	Report Transaction Y Additions	ear Retirement	Vintage Years Retirements	Adjusti r Additi	ments to Year	Transaction Retirements	Adj Ad	justed Transac Iditions Re	tion Year	Transfers and Adjustments	I Adjustments	EOY Plant Balance Per Books	Simulated
1	2000	50									_	_				_
2	2001	49		40,63	5	36,672	!				40,635	-			40,635	40,635
3	2002	48		4,77	7						4,777	-			45,412	45,412
5	2003	46		0,04	3						-	-			52,056	52,056
6	2005	45									-	-			52,056	52,056
8	2006	44 43		36.15	5 36.67	2					36.155	36.672			52,056	52,056
9	2008	42													51,539	51,539
10	Total		S -	\$ 88,21	0 \$ 36,67	2 \$ 36,672	25	- 5	-	s	88,210 S	36,672	s -	S ~	\$ 397,347	\$ 397,347
	Major Addition	ns/Retirements														
	2001 and 2007			\$ 76,79	0 \$ 36,67	2										
11	Historical Int	ty terim Activity		5 11,42	0 S - % 0.00	%										
12	Forecast Inte	rim Activity		2.8	% 0.00	%										
12	2009	41									1 401					52 020
13	2009	40									1,481	-				54,544
15	2011	39									1,568					56,112
16	2012	38									1,613					57,724
18	2014	36									1,707	-				61,090
19	2015	35									1,756	-				62,846
20	2018	34									1,806	-				66,510
22	2018	32									1,912	-				68,422
23	2019	31									1,967	-				70,388
25	2021	29									2,081	-				74,492
26	2022	28							•		2,141	-				76,633
27	2023	26									2,203	-				81,102
29	2025	25									2,331	-				83,433
30	2026	24									2,398	-				85,831
31	2027	23									2,467	-				90,835
33	2029	21									2,611	-				93,446
34	2030	20									2,686	~				96,132
35	2031	19									2,763	-				101,737
37	2033	17									2,924	•				104,661
38	2034	16									3,008	-				107,669
40	2035	13									3,183	-				113,947
41	2037	13									3,275	-				117,222
42 43	2038	12									3,369 3,466					120,591
44	2040	10									3,566					127,622
45	2041	9									3,668	-				131,290
40 47	2042	7									3,775	-				133,084
48	2044	6									3,993	-				142,939
49 50	2045	5									4,108	-				147,047
51	2047	3									4,348					155,621
52	2048	2									4,473	*				160,094
54	2049	1									4,001	•	(164,695	i)		164,095
										S	201,367 \$	36,672				\$ 4,447,618
													Whole Life	Depreciation Ra H	ate Calculation	88,210
															Forecast Additions	113,156
														G	i otai Additions ross Salvage Value	13.176
														Le	ss Cost of Remova	16,470
														τ-	Net Salvage Value	(3,294)
														Fore	cast Plant Balances	4,447,618
														1171. 4	at ifa kaam -1 B	4 (00)
												Wh	ole Life Accruz	Whole Cost of Rer I Rate (Excludin	e Life Accrual Rate noval Accrual Rate og Cost of Remova	e 4.60% e 0.37% l) 4.97%
														Depreciable	Service Life, year	s 21.7
														Remaining Account	Life Depreciation at Balance 12/31/01	Rate Calculation 51,539
														-	Forecast Addition	s 113,156
														G	ross Salvage Valuess Cost of Remova	e 13,176 1 16,470
															Net Salvage Valu	e (3,294)
														For	cast Plant Balance	s 4,050.271
							-							1.010	want i tain DatailCC	σ 1 ,000,271
							- A	\-4 5								

Summary by Plant Black Hills Power Ben French CT Facility

Account	Description	Direct Investment 2008\$	Depreciation Rate
341	Structures & Improvements	22,448	1.57%
342	Fuel Holders, Producers & Accessories	1,156,298	2.81%
343	Prime Movers		
344	Generators	17,086,809	1.74%
345	Accessory Electric Equipment	743,302	2.62%
346	Misc Power Equipment	14,718	1.57%

Total

19,023,575

1.84% whole life weighted average rate

Remaining Life Denreci	ation Rate Calculation
Per Books Balance 12/31/08	10 373 720
Forecost Interim Additions	1 1 1 4 4 0 2 4
Forecast Interim Additions	1,140,934
Forecast Gross Salvage Value	1,932,856
Forecast Less Cost of Removal	1,106,072
Forecast Net Salvage Value	826,784
Forecast Total to be Recovered with COR	19,643,870
Forecast Total to be Recovered w/o COR	18,537,798
Accumulated Depreciation (2008 EOY)	(14,007,037)
Forecast Remaining Life Balance with COR	5,636,833
Forecast Remaining Life Balance w/o COR	4,530,761
Forecast Plant Balances	407,836,266
Remaining Life Rate with COR	1.38%
Remaining Life Rate w/o COR	1.11%

Black Hills Po Unit Property Unit Property Historical and	wer Depreciation Rate Analysis :: Other Production, Ben Frenc I Forecast Plant Additions & B:	h CT Plant alances			Gross Cost of F Net Inst Retirem Service I	Salvage Removal Salvage tall Date tent Date Life, Yrs	8% 10% -2% 1965 2030 65								
Account:	341 Structures & Improveme [A]	nts [B]	[C]	(D)	Initial Plant	Balance E]	0 [F]	(G)	[11]	[1]	[1]	[K]	[L]	[M]	[N]
	T T		L	Rej	ported Per Boo	oks		Adjustments	to Transaction	T				EOY Plant Balan	ce
Line	Vintage Year	Vinlage Age	Beg Balanc	Transaction Additi	on Year ons Retire	ements	Vintage Year Retirements	Additions	ear Retirements	Adjusted Tra Additions	Retirements	Transfers and Adjustments	Adjustments	Per Books	Simulated
1	1965	65						22,448	8	22,448	-		22,448		22,448
2 3	1966 1967	64 63						-		-	-		22,448 22,448		22,448 22,448
4	1968	62						-	-	-	-		22,448		22,448
5	1969	61 60						-	-	-	-		22,448		22,448
7	1971	59								-	-		22,448		22,448
8	1972	58						•	-	•	-		22,448		22,448
10	1973	57 56						-	-	-	-		22,448		22,448
11	1975	55						-		-			22,448		22,448
12	1976	54 53						•		-			22,448		22,448
14	1978	52						-		~			22,448		22,448
15	1979	51						•	-	•	-		22,448		22,448
16	1980	50 49								-			22,448		22,448
18	1982	48						-	-	-	-		22,448		22,448
19	1983	47							-	•			22,448		22,448
21	1985	45							-		-		22,448		22,448
22	1986	44						-	-	-	-		22,448		22,448
23	1987	43							-	•			22,448		22,448
25	1989	41	22,44	8						•	-			22,448	22,448
26 27	1990	40 39									-			22,448	22,448
28	1992	38												22,448	22,448
29	1993	37								-	-			22,448	22,448
31	1994	36								-	-			22,448	22,448
32	1996	34								•	-			22,448	22,448
33 34	1997	33 32								-	-			22,448	22,448
35	1999	31								-	-			22,448	22,448
36	2000	30								-	-			22,448	22,448
38	2001	29								-				22,448	22,448
39	2003	27								-	-			22,448	22,448
40	2004	26 25								-	-			22,448 22.448	22,448
42	2006	24								•				22,448	22,448
43	2007	23								-	-			22,448	22,448
45	Total	44	\$ 22,44	8 \$	- S	-	s -	\$ 22,448	35 -	\$ 22,448	s -	\$ -	\$ 538,755	\$ 448,963	\$ 987,718
	Maine & Minister Dations														
46 47	Routine Activity Historical Interim Activity Forecast Interim Activity			\$ \$	- S - S 0.00%	- 0.00% 0.00%									
48	2009	21									-				22 449
49	2010	20								•	-				22,448
50	2011	19								-	•				22,44
52	2012	17								-	-				22,44
53	2014	16								e -	-				22,448
55	2015	14								-	-				22,44
56	2017	13								-	-				22,44
57	2018	12								-	-				22,441
59	2020	10								-					22,44
60	2021	9								-	•				22,44
62	2023	7								-	-				22,44
63	2024	6								-	•				22,44
64 65	2025	5								-					22,44
66	2027	3								-	-				22,44
67	2028	2								-	-				22,44
69	2029	0								-		(22,44	8)		
										\$ 22,448	8 \$ -				\$ 1,459,12
												Whole Life	Depreciation R H	ate Calculation	ns 22,44

22,448 \$ 1,459,129 ion Rate Calculation Historical Additions Forecast Additions Total Additions Gross Salvage Value Less Cost of Removal Net Salvage Value Total to be Recovered 22,448 22,448 1,796 2,245 (449) 22,897 Forecast Plant Balances 1,459,129 1.57% 0.15% 1.42%

22,448 22

Whole Life Accrual Rate Cost of Removal Accrual Rate Whole Life Accrual Rate (Excluding Cost of Removal)

Depreciable Service Life, years 63.7

Remaining Life Depreciation Rate Calculation

22,448
-
1,796
2,245
(449)

Black Hills Power	Gross Salvage	8%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-2%
Unit Property: Other Production, Ben French Plant	Install Date	1965
	Retirement Date	2030
	Service Life, Yrs	65

Historical and Forecast Plant Additions & Balances Account: 342 Fuel Holders, Producers & Accessories

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[19]	(1)	[J]	[K]	[L.]	[M]	[N]
				Reported	Per Books		Adjustments	to Transaction	3. 1		1	F	OY Plant Balanc	e
	Vintage	Vintage	. 1	ransaction Yea	r	Vintage Year	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	ear	Adjusted Tra	insaction Year	Transfers and		1.1	
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
,	1965	65					600 612	\$	600 612			600 612		600.612
;	1966	64					8.973	696	8,973	696		608,890		608,890
3	1967	63					9,096	705	9,096	705		617,281		617,281
4	1968	62					9,222	715	9,222	715		625,788		625,788
5	1969	61					9,349	725	9,349	725		634,412		634,412
6	1970	60					9,478	735	9,478	735		643,155		643,155
7	1971	59					9,608	745	9,608	745		652,018		652,018
8	1972	58					9,741	755	9,741	755		661,004		661,004
9	1973	57					9,875	765	9,875	765		670,113		670,113
10	1974	56					10,011	776	10,011	776		679,348		679,348
11	1975	55					10,149	787	10,149	787		688,710		688,710
12	1976	54				25,000	10,289	798	10,289	798		698,202		698,202
13	1977	53					10,431	809	10,431	809		707,824		707,824
14	1978	52				1,068	10,574	820	10,574	820		717,578		717,578
15	1979	51				355,724	10,720	831	10,720	831		727,467		727,467
16	1980	50					10,868	842	10,868	842		737,493		737,493
	1981			a des a ser se a se se se se se		and the second states of the second states and the	11,018	854	11,018	824		747,656		/4/,656
18	1982	48					11,165	800	11,169	800		757,960		/5/,900
19	1983	47					11,323	8/8	11,323	8/8		768,405		708,405
20	1984	40					11,475	690	11,4/9	000		770,333		770,773
21	1985	45					11,030	902	11,038	902		800 614		800.614
. 22	1081						11 961	027	11 961	927		811 647		\$11.647
23	1987	43					12 124	940	12 125	940		827 833		822.833
24	1989	41	877 833				12,12					0411,055	\$22,833	822.833
25	1990	40	022,055						-	-			822.833	822.833
27	1991	39							-	-			822.833	822.833
28	1992	38		91,568	25.000)			91,568	25,000			889,401	889,401
29	1993	37		434,216					434,216	-			1,323,617	1,323,617
30	1994	36			1,068	3			-	1,068			1,322,549	1,322,549
31	1995	35							-	-			1,322,549	1,322,549
32	1996	34		43,348					43,348	-			1,365,897	1,365,897
33	1997	33		25,981	355,724	1			25,981	355,724	61,755		1,097,908	1,097,908
34	1998	32							-	-			1,097,908	1,097,908
35	1999	31							-	-			1,097,908	1,097,908
36	2000	30		58,390					58,390	-			1,156,298	1,156,298
37	2001	29							-	•			1,156,298	1,156,298
38	2002	28							-	-			1,156,298	1,156,298
39	2003	27							-	-			1,156,298	1,156,298
40	2004	26							-	-			1,156,298	1,156,298
41	2005	25							-	•			1,156,298	1,156,298
42	2006	24							-	-			1,156,298	1,156,298
43	2007	23		116,995					116,995	-			1,273,293	1,273,293
44	2008	22		6 120 .00	e 001 m	201	E 941 (0)	10 /04	5 1 (12 00c	· · · ·	e 61.765	£ 16 047 775	1,156,298	1,150,298
45	Total		\$ \$22,833	3 770,498	a 381,793	5 5 581,793	\$ 841,50	/ 3 18,674	\$ 1,612,005	\$ 400,465	\$ 01,755	a 10,947,735	\$ 22,509,910	\$ 37,437,044

0

Initial Plant Balance

1003		434 216		
1997	•	121,210	s	355,724
Routine Activity	\$	336,282	\$	26,068
Historical Interim Activity		1.49%		0.12%
Forecast Interim Activity		1,49%		0.12%

46 47

 $\begin{array}{c} 21 \\ 20 \\ 19 \\ 18 \\ 17 \\ 16 \\ 15 \\ 14 \\ 13 \\ 12 \\ 11 \\ 10 \\ 9 \\ 8 \\ 7 \\ 6 \\ 5 \\ 4 \\ 3 \\ 2 \\ 1 \\ 0 \end{array}$

17,274	1,339		1,172,233
17,512	1,358		1,188,388
17,754	1,376		1,204,765
17,998	1,395		1,221,368
18,246	1,414		1,238,200
18,498	1,434		1,255,264
18,753	22		1,273,995
19,033	1,475		1,291,552
19,295	1,496		1,309,352
19,561	1,516		1,327,396
19,830	1,537		1,345,689
20,104	1,558		1,364,234
20,381	1,580		1,383,035
20,662	1,602		1,402,095
20,946	1,624		1,421,417
21,235	1,646		1,441,006
21,528	1,669		1,460,865
21,824	1,692		1,480,998
22,125	1,715		1,501,407
22,430	1,739		1,522,099
22,739	1,763		1,543,075
		(1,543,075)	•
\$ 2,029,731	\$ 431,416		\$ 67,806,079

Whole Life Depreciation Rate Calculation Historical Additions Forecast Additions Total Additions Gross Salvage Value Less Cost of Remova] Net Salvage Value Total to be Recovered 1,612,005 417,727 2,029,731 123,446 154,307 (30,861) 2,060,593

Forecast Plant Balances 67,806,079 3.04% 0.23% 2.81%

2008

Whole Life Accrual Rate Cost of Removal Accrual Rate Whole Life Accrual Rate (Excluding Cost of Removal)

Depreciable Service Life, years 32.9

 Remaining Life Depreciation Rate Calculation

 Account Balance 12/31/08
 1,156,298

 Forecast Additions
 417,227

 Gross Salvage Value
 123,446

 Less Cost of Removal
 154,307

 Net Salvage Value
 (30,861)

Black Hills Po Unit Property Unit Property	wer Deprecistion I : Other Produc	Rate Analysis ction, Ben Fre	nch Plant	C	Gross Salvage ost of Removal Net Salvage Install Date	10% 5% 5% 1965 2030							2008	
Historical and	l Forecast Plan	t Additions &	Balances	Se	rvice Life, Yrs	65								
Account:	344 Generato	rs (Bl	(C)	Initial	Plant Balance	0 (F)	[G]	(131)	181	IU)	(K)	L	(M)	[N]
[T	1	<u> </u>	Reported I	er Books		Adjustments to	Transaction					EOY Plant Balance	
Line	Vintage Year	Vintage Age	Beg Baiance	Additions	Retirements	Vintage Year Retirements	Additions	ar Retirements	Adjusted Trans Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
1 2	1965 1966	65 64				79,337	15,520,600 31,041	15,521	15,520,600 31,041	15,521		15,520,600 15,536,121		15,520,600 15,536,121
3 4	1967 1968	63 62					31,072 31,103	15,536 15,552	31,072 31,103	15,536 15,552		15,551,657 15,567,209		15,551,657 15,567,209
5 6	1969 1970	61 60					31,134 31,166	15,567 15,583	31,134 31,166	15,567 15,583		15,582,776 15,598,359		15,582,776 15,598,359
7	1971 1972	59 58					31,197	15,598 15,614	31,197 31,228	15,598		15,613,957 15,629,571		15,613,957 15,629,571
9	1973	57					31,259	15,630	31,259	15,630		15,645,201		15,645,201
10	1975	55					31,322	15,661	31,322	15,661		15,676,507		15,676,507
12	1976	53				673,529	31,384	15,692	31,384	15,692		15,707,875		15,707,875
14 15	1978 1979	52 51				47,321 47,321	31,416 31,447	15,708 15,724	31,416 31,447	15,708 15,724		15,723,583		15,723,583
16 17	1980 1981	50 49					31,479 31,510	15,739 15,755	31,479 31,510	15,739 15,755		15,755,046 15,770,801		15,755,046 15,770,801
18 19	1982 1983	48 47					31,542 31,573	15,771 15,787	31,542 31,573	15,771 15,787		15,786,572 15,802,359		15,786,572 15,802,359
20 21	1984 1985	46 45					31,605 31,636	15,802 15,818	31,605 31,636	15,802 15,818		15,818,161 15,833,979		15,818,161 15,833,979
22 23	1986 1987	44					31,668	15,834 15,850	31,668	15,834		15,849,813		15,849,813 15,865,663
24	1988	42	15 006 487			217 004	31,731	15,866	31,731	15,866		15,881,529	15.006.487	15,881,529
26	1990	40	13,000,487	10.073	220.008	211,004			19 963	220.009			15,006,487	15,006,487
27	1991	39		18,862 43,461	9,500				43,461	9,500			14,805,342	14,805,342
29 30	1993 1994	37 36		1,334,256	290,000 2,000				1,334,256	290,000 2,000			15,883,559	15,883,559
31 32	1995 1996	35 34							-	:			15,881,559 15,881,559	15,881,559 15,881,559
33 34	1997 1998	33 32		43,032	24,000				43,032	24,000	61,755		15,962,346 15,962,346	15,962,346 15,962,346
35 36	1999 2000	31 30		1,393,832	290,000				1,393,832	290,000			15,962,346 17,066,178	15,962,346 17,066,178
37	2001	29 28		32,631	12.000				32.631	12.000			17,066,178	17,066,178
39	2003	27		52,051	10,000								17,086,809	17,086,809
41	2005	25							:				17,086,809	17,086,809
43	2007	23		450,813	217,004				450,813	217,004	(21)		17,320,597	17,320,597
45	Total	22	\$ 15,006,487	\$ 3,316,888	\$ 1,064,512	\$ 1,064,512	\$ 16,242,457	\$ 360,928	\$ 19,559,345	\$ 1,425,440	\$ 61,734	\$ 376,809,675	\$ 325,046,699	\$ 701,856,374
	Major Additio	ons/Retirement	s	8 1 224 256										
	1997 Reutino Anti-			\$ 1,393,832	¢ 1064517									
46	Historical 1	nterim Activity	,	0.18%	0.339	6								
47	Forecast in	terim Activity		0.20%	0.107	8				10.000				10100
48 49	2009	20							34,208	17,104				17,121,000
50 51	2011 2012	19 18							34,242 34,276	17,121				17,138,121
52 53	2013 2014	17 16							34,311 34,345	17,155				17,172,414 17,189,587
54 55	2015 2016	15 14							34,379 34,448	34 17,224				17,223,932 17,241,156
56 57	2017 2018	13 12							34,482 34,517	17,241 17,258				17,258,397 17,275,655
58 59	2019 2020	11 10							34,551 34,586	17,276 17,293				17,292,931 17,310,224
60 61	2021	9							34,620 34,655	17,310				17,327,534
62	2023	7							34,690	17,345				17,362,206
64	2025	5							34,759	17,380				17,396,948
66	2020	3							34,829	17,414				17,431,759
67 68	2028	1							34,898	17,432	117 444 44			17,466,640
69	2030	0							\$ 20,284,696	\$ 1,770,961		9		\$ 1,064,911,999
											Whole Life	Depreciation Ra	te Calculation	10 550 245
													Forecast Additions	725,352
												_	Gross Salvage Value	20,284,696
												1	ess Cost of Removal Net Salvage Value	873,332 873,332
													Fotal to be Recovered	1 19,411,364
												Fo	recast Plant Balances	1,064,911,999
												Wh Cost of F	ole Life Accrual Rate temoval Accrual Rate	e 1.82% e 0.08%
											Whole Life Acc	rual Kate (Exclue Deprecia	ting Cost of Removal	1) 1.74% is 54.9
												Remaining L	ife Depreciation Ra	te Calculation
												Acco	unt Balance 12/31/08 Forecast Additions	3 17,086,809 5 725,352
												:	Gross Salvage Value Less Cost of Remova	e 1,746,664 1 873.332
													Net Salvage Valu	873,332

Forecast Plant Balances 363,055,625

Black Hills F	ower			(Cor	Bross Salvage	8%								
Unit Propert Unit Propert	y Deprecistion R y: Other Produc	late Analysis tion, Ben Frenc	ch Plant	Re	Net Salvage Install Date tirement Date	-2% 1965 2030							2008	
Historical an Account:	d Forecast Plant 345 Accessory	Additions & B Electric Equip	alances ment	Ser Initial l	vice Life, Yrs Plant Balauce	65 0								
	[A]	(B)	[C]	[D]	[E]	[F]	[G]	[H]	[1]	[L]	[K]	[L]	[M]	[N]
	Vintage	Vintage	Ti	Reported Pe ransaction Year	r Books	Vintage Year	Adjustments to Ye	o Transaction ar	Adjusted Tran	saction Year	Transfers and	Đ	OY Plant Balance	
Line	Year	Age	Beg Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions	Retirements	Adjustments	Adjustments	Per Books	Simulated
1 2	1965 1966	65 64				4,000	87,379 22	-	87,379 22			87,379 87,400		87,379 87,400
3	1967	63					22	•	22			87,422		87,422
5	1969	61					22		22			87,465		87,465
	1970 1971	60 59					22	2	22	-		87,486 87,508		87,486 87,508
8	1972	58					22	•	22	•		87,529		87,529
10	1974	56					22	-	22			87,572		87,572
11	1975 1976	55 54					22 22	:	22 22			87,594 87,616		87,594 87,616
13	1977 1978	53 52					22 22	•	22 22	•		87,637 87,659		87.637 87.659
15	1979	51					22	-	22	-		87,680		87,680
16 17	1980	50 	a an				22 	• ••••	22 22		a	87,702 87,724	a and a state of the state of the state	87,702
18 19	1982 1983	48 47				9,501	22 22		22 22	-		87,745 87,767		87,745 87,767
20	1984	46					22		22			87,789		87,789
22 -	1986	· ··· 44··· ···							22	-		87,832		87,832
23 24	1987 1988	43 42					22 22		22	-		87,853 87,875		87,853 87,875
25 26	1989	41 40	84,926						-	-			84,926 84,926	84,926 84,926
27	1991	39							-				84,926	84,926
28	1992	38							-				84,926	84,926
30 31	1994 1995	36 35		52,758	13,501				52,758	13,501			124,183 124,183	124,183 124,183
32	1996	34		2,243					2,243				126,426	126,426
34	1998	32							•	•	616,876		743,302	743,302
35 36	2000	31 30							-	-			743,302	743,302
37 38	2001 2002	29 28							-				743,302 743,302	743,302 743,302
39	2003	27								-			743,302	743,302
40	2004	26							-				743,302	743,302
42 43	2006 2007	24 23								-			743,302 743,302	743,302 743,302
44 45	2008 Total	22	\$ 84.926	\$ 55.001	\$ 13,501	\$ 13.501	\$ 87.875	<u>s</u> -	s 142.876	s 13.501	\$ 616.876	2.103.038	743,302 \$ 9,102,174	743,302
	Major Additio	no Patiramente	,	,										
	1994	dis (Contenients		\$ 52,758	~									
	Routine Activ	ity		\$ 2,243	\$ 13,501				,					
46 47	Historical In Forecast Inte	terim Activity erim Activity		0.02%	0.15%	5								
48	2009	- 21							183					743,485
49	2010	20							183	-				743,669
50	2011	19							183	•				744,035
52 53	2013 2014	17							183 183					744,218 744,402
54	2015	15							183 183					744,585
55	2010	13							184	-				744,952
57 58	2018 2019	12							184	-				745,136 745,319
59 60	2020	10 9							184 184	:				745,503 745,687
61	2022	8							184	-				745,871
62 63	2023	6							184	-				746,238
64 65	2025 2026	5							184 184					746,422 746,606
66 67	2027	3							184 184	•				746,790
68	2029	1							184	•	(747.170)			747,158
69	2030	U							\$ 146,732	\$ 13,501	- (/4/,138)		-	\$ 26,856,937
											Whole Life De	precistion Rat	e Calculation	
												His	storical Additions orecast Additions	759,752
													Total Additions	763,608
												Less	Cost of Removal	74,716
												N Tota	let Salvage Value il to be Recovered	(14,943) 778,551
												Foreca	ast Plant Balances	26,856,937
										Wh	ole Life Accrual R	Whole Cost of Rem ate (Excluding	Life Accrual Rate oval Accrual Rate Cost of Removal)	2.90% 0.28% 2.62%
												Depreciable !	Service Life, years	34.5

maining Life Depreciation Rate Calculation Account Balance 12/31/08 743,302 Forecast Additions 3,856 Gross Salvage Value 59,773 Less Cost of Removal 74,716 Net Salvage Value (14,943) Re

Black Hills Power	Gross Salvage	8%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-2%
Unit Property: Other Production, Ben French CT Plant	Install Date	1965
	Retirement Date	2030
	Service Life, Yrs	65
Historical and Forecast Plant Additions & Balances		
Account: 346 Misc Power Equipment	Initial Plant Balance	0

	[A]	[B]		ĮC]	μ	9	1E	1	Į.	F]		[G]	[H]		[1]		[1]	[K.]		[L]		[M]	1	N
	1		T		R	enorted	Per Book				Adi	netments b	Transa	tion 1				1			FC	Y Plant Balar	ce	
	Vintage	Vintage			Transact	ion Yea	r	<u> </u>	Vintag	e Year	1	Ve	37	uou	Adjust	ed Trans	action Year	Transfers	and		Ť			
Line	Year	Age	Beg	Balance	Add	tions	Retirer	ments	Retir	ements	Ad	ditions	Retiren	ients	Additi	ions	Retirements	Adjustme	ents	Adjustme	ents	Per Books	Sim	ulated
	10/5										miner	honicaran												
1	1965	65									8160	14,718			14	4,718	-			14,	718			14,/18
2	1966	64										-				-	-			14,	/18			14,/10
3	1967	63										*		-		-	-			14,	718			14,/18
4	1908	62										•		•		-	•			14,	718			14,710
5	1909	60												-		-	-			14	719			14 718
7	1970	59										-					_			14	718			14.718
, x	1972	58														-	-			14	718			14.718
9	1973	57										-		2		2	-			14.	718			14,718
10	1974	56																		14.	718			14,718
11	1975	55														-	-			14,	718			14,718
12	1976	54										-				-	-			14,	718			14,718
13	1977	53										-				-	-			14,	718			14,718
14	1978	52										-		*		-	-			14,	718			14,718
15	1979	51										-				-	-			14,	718			14,718
16	1980	50										•		•		•	-			14,	718			14,718
17	1981	49										•				-	-			14,	,718			14,718
18	1982	48										٠		۰		-	-			14,	,718			14,718
19	1983	47										٠		•		-	-			14,	718			14,718
20	1984	46										•		-		-	-			14,	718			14,718
21	1985	45										-		•		-	-			14,	718			14,718
22	1986	44														-	-			14,	,718			14,/18
23	1987	43										-		•		-	-			14,	,/18			14,/18
24	1988	42		14 719								-		-		-	-			14,	,/18	14 719		14,/10
25	1989	40		14,/18												-	-					14,710		14,718
20	1990	30															·					14,718		14,718
29	1997	38																				14,718		14 718
20	1993	37															-					14.718		14,718
30	1994	36														-	-					14,718		14,718
31	1995	35														-	-					14,718		14,718
32	1996	34														-	-					14,718		14,718
33	1997	33														-	-					14,718		14,718
34	1998	32														-	-					14,718		14,718
35	1999	31														-	-					14,718		14,718
36	2000	30														-	-					14,718		14,718
37	2001	29														-	-					14,718		14,718
38	2002	28														-	-					14,718		14,718
39	2003	27														-	-					14,718		14,718
40	2004	26														-	-					14,718		14,718
41	2005	25														-	-					14,/18		14,/18
42	2006	24														-	-					14,/18		14,710
43	2007	2.3															:					14,718		14,718
45	Total	**	s	14,718	s	•	s	-	s	-	s	14,718	S		\$ 1	14,718	s -	S		\$ 353	,223	\$ 294,352	S	647,575
	Major Additions/Retirements																							
					e		ç																	
	Routine Activity				ŝ	-	ŝ	-																
46	Historical Interim Activity					0.00%	6	0.00%	é.															
47	Forecast Interim Activity					0.00%	6	0.00%	6															

46 47

14,718 . -. ~ --(14,718) 956,645 S 14,718 \$ \$ Whole Life Depreciation Rate Calculation Historical Additions Forceast Additions Total Additions Gross Salvage Value Less Cost of Removal Net Salvage Value Total to be Recovered 14,718 14,718 1,177 1,472 (294) 15,012 Forecast Plant Balances 956,645

> 1.57% 0.15% 1.42% Whole Life Accrual Rate Cost of Removal Accrual Rate Whole Life Accrual Rate (Excluding Cost of Removal)

> > 63.7 Depreciable Service Life, years

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	14,718
Forecast Additions	-
Gross Salvage Value	1,177
Less Cost of Removal	1,472
Net Salvage Value	(294)

A-51

Black Hills Power Wygen III Depreciation Rate

Forecast Inservice Date:	2010
Forecast Retirement Date:	2055
Forecast Service Life (years):	45

		Р	rojected Investment	Black Hills Power	Depreciation	
Account	Description		2010\$	52% Ownership	Rate	
310	Land		· •	-	0.00%	
311	Structure & Improvements		11,225,632	5,837,329	2.77%	
312	Boiler Plant Equipment		128,277,334	66,704,214	2.90%	
313	Engines & Engine Driven Generators		10	-	0.00%	
314	Turbo Generator Equipment		95,113,867	49,459,211	2.50%	
315	Accessory Electric Equipment		12,268,457	6,379,598	2.50%	an an a company of the state of the second state o
316	Misc Power Equipment		114,710	59,649	5.72%	
			······································	· · · · · · · · · · · · · · · ·		
	and the second					
		Total	247,000,000	128,440,000	2.72%	whole life weighted average

Black Hills Power	Gross Salvage	5%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-5%
Unit Property: Steam Production, Wygen III Plant	Install Date	2010
Modeled on Wygen II Depreciation Rate Assumptions	Retirement Date	2055
	Service Life, Yrs	45

Historical and Forecast Plant Additions & Balances Account: 311 Structures & Improvements

	Service Life, Yrs	43
ces		
	Projected Initial Plant Balance	5,837,329

$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$		[A]	[B]	[C]	[D]	[E]	[F]
Line Year Age Additions Retirements Retirements Balance S S S S S S S S 1 Forecast Interim Activity 0.80% 0.00% 0.00% S S 2 2010 45 - - S S S 3 2011 44 46,699 - 5,837,322 S S 4 2012 43 47,072 - 5,931,994 S S S S G G(26,27) 6 2014 41 47,828 - G,172,171 G G,123,184 S G,172,171 G G,221,547 10 2018 37 49,377 - G,221,547 G,321,490 11 2019 36 49,772 - G,372,066 G,423,033 14 2022 33 50,976 - G,526,211 17 2025		Vintage	Vintage	Inte	rim	Final	EOY Plant
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Line	Year	Age	Additions	Retirements	Retirements	Balance
1 Forecast Interim Activity 0.80% 0.00% 2 2010 45 - - 5,837,32 3 2011 44 46,699 - 5,884,02 4 2012 43 47,072 - 5,931,09 5 2013 42 47,449 - 6,026,37 6 2014 41 47,828 - 6,074,58 8 2016 39 48,597 - 6,172,174 10 2017 38 48,985 - 6,271,321 11 2019 36 49,772 - 6,271,321 13 2021 34 50,572 - 6,631,490 14 2022 33 50,976 - 6,6423,033 15 2023 32 51,384 - 6,678,420 16 2024 31 51,795 - 6,631,053 19 2027 28 53,048 -				\$	\$	\$	\$
1Forecast Interim Activity 0.30% 0.00% 22010455,837,322320114446,699-5,931,092420124347,072-5,931,09520134247,449-5,978,544620144147,828-6,026,377720154048,211-6,074,583820163948,597-6,172,1771020183749,377-6,221,5471120193649,772-6,372,0671220203550,171-6,321,4901320213450,572-6,637,2061420223350,976-6,626,2131520233251,384-6,473,0321620243151,795-6,526,2111720253052,210-6,631,0371820262952,627-6,631,0371920272853,048-6,784,221920272853,048-6,784,222032255,646-7,014,242120302554,332-6,845,8092320312454,766-6,905,7842420322355,205-6,955,7862520332255,646- <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>							
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	I	Forecast Interin	n Activity	0.80%	0.00%		
2 2010 43 - 5,837,322 3 2011 44 46,699 - 5,834,022 4 2012 43 47,072 - 5,931,099 5 2013 42 47,449 - 6,074,581 6 2014 41 47,828 - 6,074,581 7 2015 40 48,211 - 6,074,581 9 2017 38 48,985 - 6,172,171 10 2018 37 49,377 - 6,221,341 11 2019 36 49,772 - 6,372,061 12 2020 35 50,171 - 6,372,061 13 2021 34 50,572 - 6,576,2142 16 2024 31 51,795 - 6,674,422 16 2024 31 51,795 - 6,674,422 17 2025 30 52,210 - 6,576,2142 18 2026 29 52,627 -	2	2010	45				
3 2011 44 40,099 - 5,884,02 4 2012 43 47,072 - 5,978,543 6 2013 42 47,449 - 6,026,377 7 2015 40 48,211 - 6,026,377 7 2015 40 48,211 - 6,074,583 8 2016 39 48,597 - 6,172,177 10 2018 37 49,377 - 6,221,547 11 2019 36 49,772 - 6,372,066 12 2020 35 50,171 - 6,372,066 14 2022 33 50,976 - 6,423,033 15 2023 32 51,384 - 6,674,422 16 2024 31 51,795 - 6,578,422 17 2025 30 52,210 - 6,684,106 20 2028 27 53,473 - 6,79,797,77,174,147,422 2030 25 54,332 -	2	2010	45	-	-		5,837,329
7 2012 43 $47,072$ $ 5,978,543$ 6 2014 41 $47,828$ $ 6,026,377$ 7 2015 40 $48,211$ $ 6,074,588$ 8 2016 39 $48,997$ $ 6,172,174$ 10 2018 37 $49,377$ $ 6,221,547$ 11 2019 36 $49,772$ $ 6,271,321$ 12 2020 35 $50,171$ $ 6,312,666$ 14 2022 33 $50,976$ $ 6,423,035$ 15 2023 32 $51,384$ $ 6,474,422$ 16 2024 31 $51,795$ $ 6,526,218$ 17 2025 30 $52,210$ $ 6,631,055$ 18 2026 29 $52,627$ $ 6,631,055$ 19 2027 28 $53,048$ $ 6,784,422$ 12 2029 26 $53,901$ $ 6,737,577$ 21 2029 26 $53,901$ $ 6,791,477$ 22 2030 25 $54,332$ $ 6,905,784$ 23 2031 24 $54,766$ $ 6,900,576$ 24 2032 23 $55,205$ $ 6,955,784$ 25 2033 22 $55,646$ $ 7,114,203$ 26 2034 21 $56,991$ $ 7,236,477$ 27 2035 20 $56,540$ $ 7,238,4776$ <tr< td=""><td>Л</td><td>2011</td><td>44</td><td>40,099</td><td>-</td><td></td><td>5,884,027</td></tr<>	Л	2011	44	40,099	-		5,884,027
5 2015 42 $4,749$ $ 5,978,543$ 6201441 $47,828$ $ 6,026,377$ 7201540 $48,211$ $ 6,027,583$ 8201639 $48,597$ $ 6,123,184$ 9201738 $48,985$ $ 6,177,177$ 10201837 $49,377$ $ 6,221,547$ 11201936 $49,772$ $ 6,271,327$ 12202035 $50,171$ $ 6,321,490$ 13202134 $50,572$ $ 6,372,667$ 14202233 $50,976$ $ 6,423,033$ 15202332 $51,384$ $ 6,474,423$ 16202431 $51,795$ $ 6,526,218$ 17202530 $52,210$ $ 6,631,053$ 19202728 $53,048$ $ 6,674,103$ 20202827 $53,473$ $ 6,737,577$ 21202926 $53,901$ $ 6,791,477$ 22203025 $54,332$ $ 6,845,806$ 23203124 $54,766$ $ 6,900,577$ 24203223 $55,205$ $ 6,955,786$ 25203322 $55,640$ $ 7,114,94$ 26203421 $56,992$ $ 7,181,056$ 27203520 $56,540$ $ 7,226,407$ </td <td>5</td> <td>2012</td> <td>43</td> <td>47,072</td> <td>-</td> <td></td> <td>5,931,099</td>	5	2012	43	47,072	-		5,931,099
7 2015 40 48,211 - 6,074,583 8 2016 39 48,597 - 6,123,184 9 2017 38 48,985 - 6,172,171 10 2018 37 49,377 - 6,221,343 11 2019 36 49,772 - 6,321,490 12 2020 35 50,171 - 6,321,490 13 2021 34 50,572 - 6,372,063 14 2022 33 50,976 - 6,423,033 15 2023 32 51,384 - 6,526,211 16 2024 31 51,795 - 6,526,211 17 2025 30 52,210 - 6,634,104 20 2028 27 53,473 - 6,737,572 12 2029 26 53,901 - 6,744,223 23 2031 24 54,766 - 6,900,577 24 2032 23 55,205	6	2013	42	47,449			5,978,548
i 2013 40 $44,211$ $ 6,074,388$ 9 2017 38 $48,597$ $ 6,123,188$ 9 2017 38 $48,985$ $ 6,172,177$ 10 2018 37 $49,377$ $ 6,221,547$ 11 2019 36 $49,772$ $ 6,321,490$ 12 2020 35 $50,171$ $ 6,321,490$ 13 2021 34 $50,572$ $ 6,377,206$ 14 2022 33 $50,976$ $ 6,423,039$ 15 2023 32 $51,384$ $ 6,474,422$ 16 2024 31 $51,795$ $ 6,526,211$ 17 2025 30 $52,210$ $ 6,578,422$ 18 2026 29 $52,627$ $ 6,631,065$ 19 2027 28 $53,048$ $ 6,684,100$ 20 2028 27 $53,473$ $ 6,791,477$ 21 2029 26 $53,901$ $ 6,791,477$ 22 2030 25 $54,332$ $ 6,845,800$ 23 2031 24 $54,766$ $ 7,011,420$ 24 2032 23 $55,205$ $ 6,955,782$ 24 2032 23 $55,992$ $ 7,181,050$ 27 2035 20 $56,540$ $ 7,226,407$ 31 2039 16 $58,371$ <td>7</td> <td>2014</td> <td>41</td> <td>4/,828</td> <td>-</td> <td></td> <td>6,026,377</td>	7	2014	41	4/,828	-		6,026,377
3 $43,97$ $ 6,123,18$ 9 2017 38 $48,985$ $ 6,172,17$ 10 2018 37 $49,377$ $ 6,221,54$ 11 2019 36 $49,772$ $ 6,221,32$ 12 2020 35 $50,171$ $ 6,321,490$ 13 2021 34 $50,572$ $ 6,372,06$ 14 2022 33 $50,976$ $ 6,423,039$ 15 2023 32 $51,384$ $ 6,474,422$ 16 2024 31 $51,795$ $ 6,526,218$ 17 2025 30 $52,210$ $ 6,578,423$ 18 2026 29 $52,627$ $ 6,631,057$ 2027 28 $53,001$ $ 6,737,577$ 21 2029 25 $54,332$ $ 6,845,807$ 22 2030 25 $54,332$ $ 6,995,788$ $-$	8	2015	40	40,211	-		6,074,588
j 2017 35 $40,955$ $ 6,172,17$ 10 2018 37 $49,377$ $ 6,221,547$ 11 2019 36 $49,772$ $ 6,271,327$ 12 2020 35 $50,171$ $ 6,372,063$ 14 2022 33 $50,976$ $ 6,423,037$ 15 2023 32 $51,384$ $ 6,474,422$ 16 2024 31 $51,795$ $ 6,578,428$ 17 2025 30 $52,210$ $ 6,578,428$ 18 2026 29 $52,627$ $ 6,631,636$ 19 2027 28 $53,048$ $ 6,791,477$ 21 2029 26 $53,901$ $ 6,791,477$ 22 2030 25 $54,332$ $ 6,905,578$ 23 2031 24 $54,766$ $ 6,905,578$ 25 2033 22 $55,646$ $ 7,011,424$ 26 2034 21 $56,991$ $ 7,284,995$ 30 2038 17 $57,908$ $ 7,284,995$ 30 2038 17 $57,908$ $ 7,284,995$ 31 2039 16 $58,371$ $ 7,532,705$ 32 2040 15 $58,838$ $ 7,413,616$ 31 2039 16 $58,371$ $ 7,522,977$ 34 2042 13 $59,783$ </td <td>õ</td> <td>2010</td> <td>39</td> <td>46,397</td> <td>-</td> <td></td> <td>6,123,184</td>	õ	2010	39	46,397	-		6,123,184
102013 57 $49,577$ $ 6,221,547$ 112019 36 $49,772$ $ 6,271,320$ 122020 35 $50,171$ $ 6,321,490$ 132021 34 $50,572$ $ 6,372,065$ 142022 33 $50,976$ $ 6,423,039$ 152023 32 $51,384$ $ 6,474,422$ 162024 31 $51,795$ $ 6,526,218$ 172025 30 $52,210$ $ 6,631,055$ 182026 29 $52,627$ $ 6,631,055$ 192027 28 $53,048$ $ 6,79,1477$ 212029 26 $53,901$ $ 6,791,477$ 222030 25 $54,332$ $ 6,845,809$ 232031 24 $54,766$ $ 6,905,786$ 242032 23 $55,205$ $ 6,955,786$ 252033 22 $55,646$ $ 7,124,058$ 282036 19 $56,992$ $ 7,181,057$ 292037 18 $57,448$ $ 7,236,479$ 302038 17 $57,908$ $ 7,236,479$ 322040 15 $58,838$ $ 7,413,610$ 332041 14 $59,309$ $ 7,232,709$ 342042 13 $59,783$ $ 7,532,709$ 352043 12 <	10	2017	38	48,985	-		6,172,170
1120153049,772-6,271,3211220203550,171-6,321,4901320213450,572-6,372,0661420223350,976-6,423,0331520233251,384-6,474,4221620243151,795-6,526,2111720253052,210-6,578,4221820262952,627-6,631,0551920272853,048-6,791,4772020282753,473-6,737,5772120292653,901-6,845,8002320312454,766-6,905,7782420322355,205-6,955,7862520332255,646-7,011,4202620342156,091-7,124,0532720352056,540-7,124,0532820361956,992-7,181,0512920371857,448-7,238,4993020381757,908-7,532,7003120391658,838-7,413,6103320411459,309-7,744,9443420421359,783-7,532,7003520431260,262-7,592,97036204411 </td <td>11</td> <td>2018</td> <td>37</td> <td>49,377</td> <td>-</td> <td></td> <td>6,221,547</td>	11	2018	37	49,377	-		6,221,547
12202033 $50,171$ - $6,321,490$ 13202134 $50,572$ - $6,372,063$ 14202233 $50,976$ - $6,423,039$ 15202332 $51,384$ - $6,474,423$ 16202431 $51,795$ - $6,526,218$ 17202530 $52,210$ - $6,578,422$ 18202629 $52,627$ - $6,631,055$ 19202728 $53,048$ - $6,684,104$ 20202827 $53,473$ - $6,779,177$ 21202926 $53,901$ - $6,791,477$ 22203025 $54,332$ - $6,845,809$ 23203124 $54,766$ - $6,900,577$ 24203223 $55,205$ - $6,955,786$ 25203322 $55,646$ - $7,011,426$ 26203421 $56,091$ - $7,124,055$ 27203520 $56,540$ - $7,286,407$ 30203817 $57,908$ - $7,286,407$ 31203916 $58,3711$ - $7,354,778$ 32204015 $58,838$ - $7,413,616$ 33204114 $59,309$ - $7,726,66$ 34204213 $59,783$ - $7,532,709$ 35204312 $60,262$ - $7,929,977$ 36204411<	12	2019	30 25	49,772	-		6,271,320
13 2021 34 $50,572$ $ 6,372,062$ 14 2022 33 $50,976$ $ 6,423,033$ 15 2023 32 $51,384$ $ 6,474,422$ 16 2024 31 $51,795$ $ 6,526,211$ 17 2025 30 $52,210$ $ 6,578,422$ 18 2026 29 $52,627$ $ 6,631,055$ 19 2027 28 $53,048$ $ 6,684,104$ 20 2028 27 $53,473$ $ 6,737,577$ 21 2029 26 $53,901$ $ 6,791,477$ 22 2030 25 $54,332$ $ 6,845,806$ 23 2031 24 $54,766$ $ 6,900,576$ 24 2032 23 $55,205$ $ 6,955,783$ 25 2033 22 $55,646$ $ 7,011,426$ 26 2034 21 $56,091$ $ 7,124,055$ 28 2036 19 $56,992$ $ 7,181,056$ 29 2037 18 $57,448$ $ 7,238,499$ 30 2038 17 $57,908$ $ 7,256,477$ 31 2039 16 $58,371$ $ 7,532,709$ 35 2043 12 $60,262$ $ 7,929,977$ 35 2043 12 $60,262$ $ 7,929,977$ 35 2043 12 $60,262$ $ 7,929,977$	12	2020	35	50,171	-		6,321,490
14 2022 33 $50,976$ $ 6,423,033$ 15 2023 32 $51,384$ $ 6,474,422$ 16 2024 31 $51,795$ $ 6,526,218$ 17 2025 30 $52,210$ $ 6,578,422$ 18 2026 29 $52,627$ $ 6,631,055$ 19 2027 28 $53,048$ $ 6,737,577$ 21 2029 26 $53,901$ $ 6,779,1477$ 22 2030 25 $54,332$ $ 6,845,809$ 23 2031 24 $54,766$ $ 6,900,576$ 24 2032 23 $55,205$ $ 6,955,784$ 25 2033 22 $55,646$ $ 7,011,426$ 26 2034 21 $56,091$ $ 7,28,499$ 27 2035 20 $56,540$ $ 7,124,055$ 28 2036 19 $56,992$ $ 7,18,056$ 29 2037 18 $57,448$ $ 7,236,477$ 31 2039 16 $58,371$ $ 7,354,775$ 32 2040 15 $58,838$ $ 7,413,616$ 33 2041 14 $59,309$ $ 7,522,970$ 34 2042 13 $59,783$ $ 7,522,970$ 34 2042 13 $59,783$ $ 7,529,2970$ 35 2044 11 $60,724$	13	2021	34	50,572	-		6,372,062
15202332 $51,384$ - $6,474,422$ 16202431 $51,795$ - $6,526,218$ 17202530 $52,210$ - $6,578,428$ 18202629 $52,627$ - $6,631,052$ 19202728 $53,048$ - $6,684,104$ 20202827 $53,473$ - $6,737,577$ 21202926 $53,901$ - $6,791,477$ 22203025 $54,332$ - $6,845,806$ 23203124 $54,766$ - $6,900,576$ 24203223 $55,205$ - $6,955,786$ 25203322 $55,646$ - $7,011,426$ 26203421 $56,091$ - $7,26,407$ 27203520 $56,540$ - $7,124,058$ 28203619 $56,992$ - $7,181,050$ 29203718 $57,448$ - $7,236,477$ 31203916 $58,371$ - $7,354,773$ 32204015 $58,838$ - $7,413,610$ 33204114 $59,309$ - $7,522,700$ 34204213 $59,783$ - $7,532,700$ 35204312 $60,262$ - $7,592,970$ 36204411 $60,744$ - $7,653,714$ 37204510 $61,230$ - $7,776,666$ 3920478 <td>14</td> <td>2022</td> <td>33</td> <td>50,976</td> <td>-</td> <td></td> <td>6,423,039</td>	14	2022	33	50,976	-		6,423,039
10 2024 31 $51,795$ - $6,526,211$ 17 2025 30 $52,210$ - $6,578,422$ 18 2026 29 $52,627$ - $6,631,052$ 19 2027 28 $53,048$ - $6,634,102$ 20 2028 27 $53,473$ - $6,737,577$ 21 2029 26 $53,901$ - $6,791,477$ 22 2030 25 $54,332$ - $6,848,800$ 23 2031 24 $54,766$ - $6,900,576$ 24 2032 23 $55,205$ - $6,955,786$ 25 2033 22 $55,646$ - $7,011,421$ 26 2034 21 $56,091$ - $7,067,518$ 27 2035 20 $56,540$ - $7,124,058$ 28 2036 19 $56,992$ - $7,181,057$ 29 2037 18 $57,448$ - $7,296,407$ 31 2039 16 $58,371$ - $7,354,778$ 32 2040 15 $58,838$ - $7,413,610$ 33 2041 14 $59,309$ - $7,522,709$ 34 2042 13 $59,783$ - $7,532,709$ 35 2043 12 $60,262$ - $7,929,297$ 36 2044 11 $60,724$ - $7,776,653,714$ 38 2046 9 $61,720$ - $7,776,653,714$ 39 2047 8	15	2023	32	51,384	-		6,474,423
17 2025 30 $52,210$ $ 6,58,422$ 18 2026 29 $52,627$ $ 6,631,053$ 19 2027 28 $53,048$ $ 6,684,104$ 20 2028 27 $53,473$ $ 6,737,577$ 21 2029 26 $53,901$ $ 6,791,477$ 22 2030 25 $54,332$ $ 6,845,809$ 23 2031 24 $54,766$ $ 6,900,576$ 24 2032 23 $55,205$ $ 6,955,780$ 25 2033 22 $55,646$ $ 7,011,426$ 26 2034 21 $56,091$ $ 7,067,518$ 27 2035 20 $56,540$ $ 7,124,058$ 28 2036 19 $56,992$ $ 7,181,050$ 29 2037 18 $57,448$ $ 7,238,499$ 30 2038 17 $57,908$ $ 7,26,407$ 31 2039 16 $58,371$ $ 7,354,778$ 32 2040 15 $58,838$ $ 7,413,616$ 33 2041 14 $59,309$ $ 7,532,709$ 34 2042 13 $59,783$ $ 7,532,709$ 35 2043 12 $60,262$ $ 7,992,977$ 36 2044 11 $60,724$ $ 7,776,66$ 39 2047 8 $62,213$ $ 7,984,807$ <t< td=""><td>10</td><td>2024</td><td>31</td><td>51,795</td><td>-</td><td></td><td>6,526,218</td></t<>	10	2024	31	51,795	-		6,526,218
18202029 $52,627$ - $6,631,055$ 19202728 $53,048$ - $6,684,104$ 20202827 $53,473$ - $6,737,577$ 21202926 $53,901$ - $6,791,477$ 22203025 $54,332$ - $6,845,809$ 23203124 $54,766$ - $6,900,576$ 24203223 $55,205$ - $6,955,780$ 25203322 $55,646$ - $7,011,426$ 26203421 $56,091$ - $7,124,055$ 28203619 $56,992$ - $7,181,056$ 29203718 $57,448$ - $7,236,407$ 30203817 $57,908$ - $7,266,407$ 31203916 $58,371$ - $7,354,776$ 32204015 $58,838$ - $7,413,610$ 33204114 $59,309$ - $7,742,922$ 34204213 $59,783$ - $7,532,709$ 35204312 $60,262$ - $7,929,977$ 36204411 $60,744$ - $7,776,66$ 3920478 $62,213$ - $7,838,877$ 4020487 $62,711$ - $7,901,88$ 4120496 $63,213$ - $7,964,800$ 4220505 $63,718$ - $7,904,800$	17	2025	30	52,210	-		6,578,428
19 2027 28 $53,048$ - $6,684,102$ 20 2028 27 $53,473$ - $6,737,577$ 21 2029 26 $53,901$ - $6,791,477$ 22 2030 25 $54,332$ - $6,845,809$ 23 2031 24 $54,766$ - $6,900,577$ 24 2032 23 $55,205$ - $6,955,780$ 25 2033 22 $55,646$ - $7,011,420$ 26 2034 21 $56,091$ - $7,667,518$ 27 2035 20 $56,540$ - $7,124,053$ 28 2036 19 $56,992$ - $7,181,050$ 29 2037 18 $57,448$ - $7,226,400$ 31 2039 16 $58,371$ - $7,354,776$ 32 2040 15 $58,838$ - $7,413,610$ 33 2041 14 $59,309$ - $7,522,700$ 34 2042 13 $59,783$ - $7,522,700$ 35 2043 12 $60,262$ - $7,592,970$ 36 2044 11 $60,744$ - $7,653,714$ 37 2045 10 $61,230$ - $7,776,663$ 39 2047 8 $62,213$ - $7,838,877$ 40 2048 7 $62,711$ - $7,901,583$ 41 2049 6 $63,213$ - $7,964,800$ 42 2050 5	18	2026	29	52,627	-		6,631,055
20 2028 27 $53,473$ $ 6,737,57$ 21 2029 26 $53,901$ $ 6,791,477$ 22 2030 25 $54,332$ $ 6,845,809$ 23 2031 24 $54,766$ $ 6,900,576$ 24 2032 23 $55,205$ $ 6,955,784$ 25 2033 22 $55,646$ $ 7,011,426$ 26 2034 21 $56,091$ $ 7,067,518$ 27 2035 20 $56,540$ $ 7,124,055$ 28 2036 19 $56,992$ $ 7,181,050$ 29 2037 18 $57,448$ $ 7,238,499$ 30 2038 17 $57,908$ $ 7,354,775$ 32 2040 15 $58,838$ $ 7,413,616$ 33 2041 14 $59,309$ $ 7,529,297$ 34 2042 13 $59,783$ $ 7,529,297$ 34 2044 11 $60,744$ $ 7,653,714$ 37 2045 10 $61,230$ $ 7,776,663$ 39 2047 8 $62,213$ $ 7,838,877$ 40 2048 7 $62,711$ $ 7,904,800$ 41 2049 6 $63,213$ $ 7,964,800$ 42 2050 5 $63,718$ $ 7,964,800$	19	2027	28	53,048	-		6,684,104
21 2029 26 $53,901$ - $6,791,477$ 22 2030 25 $54,332$ - $6,845,806$ 23 2031 24 $54,766$ - $6,900,576$ 24 2032 23 $55,205$ - $6,955,786$ 25 2033 22 $55,646$ - $7,011,426$ 26 2034 21 $56,091$ - $7,067,518$ 27 2035 20 $56,540$ - $7,124,058$ 28 2036 19 $56,992$ - $7,181,056$ 29 2037 18 $57,448$ - $7,236,477$ 30 2038 17 $57,908$ - $7,26,407$ 31 2039 16 $58,371$ - $7,354,775$ 32 2040 15 $58,838$ - $7,413,616$ 33 2041 14 $59,309$ - $7,592,970$ 34 2042 13 $59,783$ - $7,532,705$ 35 2043 12 $60,262$ - $7,592,970$ 36 2044 11 $60,744$ - $7,653,714$ 37 2045 10 $61,230$ - $7,776,666$ 39 2047 8 $62,213$ - $7,838,877$ 40 2048 7 $62,711$ - $7,901,888$ 41 2049 6 $63,213$ - $7,904,800$ 42 2050 5 $63,718$ - $7,904,800$ <td>20</td> <td>2028</td> <td>27</td> <td>53,473</td> <td>-</td> <td></td> <td>6,737,577</td>	20	2028	27	53,473	-		6,737,577
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	21	2029	26	53,901	-		6,791,477
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	22	2030	25	54,332	-		6,845,809
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	23	2031	24	54,766	-		6,900,576
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	24	2032	23	55,205	-		6,955,780
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	25	2033	22	55,646	-		7,011,426
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	26	2034	21	56,091	-		7,067,518
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	27	2035	20	56,540	-		7,124,058
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	28	2036	19	56,992	-		7,181,050
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	29	2037	18	57,448	-		7,238,499
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	30	2038	17	57,908	-		7,296,407
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	31	2039	16	58,371	-		7,354,778
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	32	2040	15	58,838	-		7,413,616
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	33	2041	14	59,309	-		7,472,925
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	34	2042	13	59,783	-		7,532,709
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	35	2043	12	60,262	-		7,592,970
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	36	2044	11	60,744	-		7,653,714
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	37	2045	10	61,230	-		7,714,944
39 2047 8 62,213 - 7,838,877 40 2048 7 62,711 - 7,901,583 41 2049 6 63,213 - 7,964,800 42 2050 5 63,718 - 7,964,800	38	2046	9	61,720	-		7,776,663
40 2048 7 62,711 - 7,901,583 41 2049 6 63,213 - 7,964,800 42 2050 5 63,718 8,000 6,000	39	2047	8	62,213	-		7,838,877
41 2049 6 63,213 - 7,964,800 42 2050 5 63,718 8,000 6,000	40	2048	7	62,711	-		7,901,588
42 2050 5 63.718 8.000 51	41	2049	6	63,213	-		7,964,800
	42	2050	5	63,718	-		8,028,519
43 2051 4 64,228 - 8,092,74	43	2051	4	64,228	-		8,092,747
44 2052 3 64,742 - 8,157,489	44	2052	3	64,742	-		8,157,489
45 2053 2 65,260 - 8,222,749	45	2053	2	65,260	-		8,222,749
46 2054 1 65,782 - 8,288,53	46	2054	1	65,782	-		8,288,531
47 2055 0 - 8,288,531 -	47	2055	0	*	~	8,288,531	

2,451,202 - \$ 8,288,531 314,688,805

Whole Life Depreciation Rate Calculation

Initial Balance	5,837,329
Interim Additions	2,451,202
Gross Salvage Value	414,427
Less Cost of Removal	828,853
Net Salvage Value	(414,427)
Total to be Recovered	8,702,957

Forecast Plant Balances 314,688,805

Gross Accrual Rate	2.50%
Cost of Removal Accrual Rate	0.26%
Whole Life Accrual Rate	2.77%

Whole Life Service Life, years 36.2

Black Hills Power	Gross Salvage	5%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-5%
Unit Property: Steam Production, Wygen III Plant	Install Date	2010
Modeled on Wygen II Depreciation Rate Assumptions	Retirement Date	2055
	Service Life, Yrs	45
Historical and Forecast Plant Additions & Balances	 2 contrasti and 	, (1)
Account: 312 Boiler Plant Equipment	Projected Initial Plant Balance	66,704,214

	[A]		⁹⁷⁷ . [C]	[D]	[E]	[F]	
	Vintage	Vintage	Inter	rim	Final	EOY Plant	
Line	Year	Age	Additions	Retirements	Retirements	Balance	
			\$	••••• \$ _••••	· · · · · · · · · ·		
1	Forecast Inte	rim Activity	0.50%	0.05%			
•						(C	
2	2010	45				66,704,214	
<u> </u>	2011	44	333,521	33,352		67,004,383	
4	2012	43	335,022	33,502		07,303,902	
5	2015	42	330,330	33,033		07,008,779	
~ ~	2014	41	330,044	33,604	a particular de la construcción de	60 210 627	
/ 0	2015	40	339,303	33,937		68 525 611	
0	2010	28	342 628	34,103		68 823 076	
10	2017	27	2 752 626	34,203		71 553 105	
10	2018	36	2,755,050	34,417		71,555,195	
12	2019	35	350 376	35,038		72 108 623	
12	2020	33	260 002	35,936		72,190,023	
13	2021	22	262 618	30,099		72,323,310	
14	2022	22	364 340	36,202		72,047,072	
15	2025	32	304,249	30,423		73,177,097	
10	2024	20	2 221 622	30,309		75,500,990	
10	2023	30	3,231,033	29 251		70,701,870	
18	2020	29	285,209	38,331		77,047,034	
19	2027	20	383,233	28 407		77,393,740	
20	2028	21	380,909	38,097		77,742,018	
21	2029	20	388,/10	38,871		78,091,857	
22	2030	25	390,439	39,040		78,443,270	
23	2031	24	392,210	39,222		/8,/90,203	
24	2032	23	3,798,493	39,398		82,333,300	
25	2033	22	412,777	41,278		82,920,839	
20	2034	21	414,034	41,403		83,300,030	
27	2035	20	410,500	41,030		83,074,080	
28	2036	19	418,374	41,837		84,051,417	
29	2037	18	420,257	42,020		-84,429,049	
30	2038	17	422,148	42,215		84,809,282	
31	2039	10	4,470,943	42,405		89,238,120	
32	2040	15	440,191	44,019		89,039,092	
33	2041	14	448,198	44,820		90,043,070	
34	2042	13	450,215	45,022		90,448,204	
35	2043	12	452,241	45,224		90,855,281	
30	2044	11	454,270	45,420		91,204,150	
31	2045	10	430,321	45,052		91,0/4,019	
38	2040	У 0	J,208,801	42,02/		90,097,042	
37	2047	0 7	404,409	40,449		71,333,003 07.771 995	
40 ∡1	2048	6	400,009	40,007		71,111,003 00 711 0C0	
41	2049	0	400,009	40,000		70,211,039	
42	2030	5	491,009	49,100		90,033,812	
43	2031	4	473,209	49,321		37,071,134	
44 15	2032	3	493,489	49,349		99,545,094	
43	2033	4	497,710	47,//2		39,991,041	
40	2034	1	479,938	50 221	100 201 292	100,441,005	
4/	2000	v	-	50,421	100,371,302	-	

Whole Life Depreciation Rate Calculation

1,850,435 \$ 100,391,382

Initial Balance	66,704,214
Interim Additions	35,537,604
Gross Salvage Value	5,019,569
Less Cost of Removal	10,039,138
Net Salvage Value	(5,019,569)
Total to be Recovered	107,261,387
Forecast Plant Balances	3,700,870,786
Gross Accrual Rate	2.63%
Cost of Removal Accrual Rate	0.27%
Whole Life Accrual Rate	2.90%
Whole Life Service Life, years A-54	34.5

35,537,604

3,700,870,786

Black Hills Power	Gross Salvage	5%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-5%
Unit Property: Steam Production, Wygen III Plant	Install Date	2010
Modeled on Wygen II Depreciation Rate Assumptions	Retirement Date	2055
	Service Life, Yrs	45

Historical and Forecast Plant Additions & Balances Account: 314 Turbogenerator Equipment

Projected Initial Plant Balance

49,459,211

	[A]	[B]	[C]	[D]		[E]	[F]
	Vintage	Vintage	Interim			Final	EOY Plant
Line	Year	Age	Additions	Retirements	Ret	irements	Balance
			\$	\$		\$	\$
,	Easter of Later	the states	0.000/				
1	rorecast inter	im Activity	0.30%	0.03%			
2	2010	45	-	-			49,459,211
3	2011	44	148,378	14,838			49,592,751
4	2012	43	148,778	14,878			49,726,651
5	2013	42	149,180	14,918			49,860,913
6	2014	41	149,583	14,958			49,995,538
7	2015	40	149,987	14,999			50,130,526
8	2016	39	150,392	15,039			50,265,878
9	2017	38	150,798	15,080			50,401,596
10	2018	37	151,205	15,120			50,537,680
11	2019	36	151,613	15,161			50 674 132
12	2020	35	152,022	15,202			50 810 952
13	2021	34	152,433	15.243			50 948 142
14	2022	33	152,844	15.284			51 085 702
15	2023	32	153,257	15.326			51 223 633
16	2024	31	153,671	15.367			51 361 937
17	2025	30	154.086	15 409			51,501,937
18	2026	29	154,502	15,450			51 639 666
19	2027	28	154,919	15 492			51,059,000
20	2028	27	155 337	15 534			51 019 006
21	2029	26	155 757	15 576			52 050 077
22	2030	25	156 177	15,570			52,059,077
23	2031	24	156 599	15,610			52,199,037
24	2032	23	157 022	15,000			52,340,570
25	2032	22	157,022	15,702			52,481,895
26	2034	21	157 871	15,745			52,025,597
27	2035	20	158 207	15,787			52,705,080
28	2035	10	158 704	15,830			52,908,148
20	2030	19	150,724	15,072			53,051,000
30	2039	17	159,155	13,913			53,194,237
21	2030	16	159,565	15,958			53,337,862
32	2039	10	100,014	16,001			53,481,874
22	2040	13	160,440	16,045			53,626,275
34	2041	14	100,879	10,088			53,771,066
25	2042	13	101,313	10,131			53,916,248
26	2043	12	161,749	16,175			54,061,822
30	2044	11	162,185	16,219			54,207,789
2/	2045	10	162,623	16,262			54,354,150
38	2046	9	163,062	16,306			54,500,906
39	2047	8	163,503	16,350			54,648,058
40	2048	1	163,944	16,394			54,795,608
41	2049	0	164,387	16,439			54,943,556
42	2050	5	164,831	16,483			55,091,904
43	2051	4	165,276	16,528			55,240,652
44	2052	3	165,722	16,572			55,389,802
45	2053	2	166,169	16,617			55,539,354
46	2054	1	166,618	16,662			55,689,310
47	2055	0	-	16,707	:	55,672,604	-
			6,922,333	708,940	\$	55,672,604	2,363,133,589

Whole Life Depreciation Rate Calculation

tole the pepieeration state calculat	
Initial Balance	49,459,211
Interim Additions	6,922,333
Gross Salvage Value	2,783,630
Less Cost of Removal	5,567,260
Net Salvage Value	(2,783,630)
Total to be Recovered	59,165,174
Forecast Plant Balances	2,363,133,589
Gross Accrual Rate	2.27%
Cost of Removal Accrual Rate	0.24%
Whole Life Accrual Rate	2.50%

39.9

Whole Life Service Life, years A-55

Black Hills Power

Unit Property Depreciation Rate Analysis Unit Property: Steam Production, Wygen III Plant Modeled on Wygen II Depreciation Rate Assumptions

Gross Salvage Cost of Removal Net Salvage Install Date Retirement Date Service Life, Yrs

Projected Initial Plant Balance

5% 10% -5% 2010 2055 45

6,379,598

Historical and Forecast Plant Additions & Balances Account: 315 Accessory Electric Equipment

	[A]	[B]	[C]	[D]	[E]	[F]	
	Vintage	Vintage	Interim		Final	EOY Plant	
Line	Year	Age	Additions Retirements		Retirements	Balance	
			••••••••••••••••••••••••••••••••••••••	\$	\$	· · · · · · · ·	
1	Forecast Inter	im Activity	0.30%	0.03%			
2	2010	42				6,379,598	
3	2008	44	19,139	1,914		6,396,823	
4	2009	43	19,190	1,919		6,414,094	
5	2010	42	19,242	1,924		6,431,412	
	2011	41	19,294	1,929	$\label{eq:alpha} = (1+1)^{-1} ($	6,448,777	
7	2012	40	19,346	1,935		6,466,189	
8	2013	39	19,399	1,940		6,483,647	
	2014		19,451	1,945		6,501,153	
10	2015	37	19,503	1,950		6,518,706	
11	2016	36	19,556	1,956		6,536,307	
12	2017	35	19,609	1,961		6,553,955	
13	2018	34	19,662	1,966		6,571,650	
14	2019	33	19,715	1,971		6,589,394	
15	2020	32	19,768	1,977		6,607,185	
16	2021	31	19,822	1,982		6,625,025	
17	2022	30	19,875	1,988		6,642,912	
18	2023	29	19,929	1,993		6,660,848	
19	2024	28	19,983	1,998		6,678,832	
20	2025	27	20,036	2,004		6,696,865	
21	2026	26	20.091	2.009		6,714,947	
22	2027	25	20,145	2,014		6.733.077	
-23	2028	24	20,199	2.020		6.751.256	
24	2029	23	20,254	2.025		6,769,485	
25	2030	22	20,308	2,031		6,787,762	
26	2031	21	20,363	2,036		6,806,089	
27	2032	20	20,418	2,042		6,824,466	
28	2033	19	20,473	2,047		6.842.892	
29	2034	18	20,529	2,053		6.861.368	
30	2035	17	20,584	2,058		6,879,893	
31	2036	16	20,640	2,064		6,898,469	
32	2037	15	20.695	2.070		6,917,095	
33	2038	14	20,751	2,075		6,935,771	
34	2039	13	20.807	2,081		6,954,498	
35	2040	12	20,863	2,086		6,973,275	
36	2041	11	20,920	2.092		6.992.103	
37	2042	10	20,976	2.098		7.010.981	
38	2043	9	21.033	2,103		7.029.911	
39	2044	8	21.090	2,109		7,048,892	
40	2045	7	21.147	2.115		7,067,924	
41	2046	6	21.204	2.120		7.087.007	
42	2047	5	21.261	2.126		7.106.142	
43	2048	4	21.318	2,132		7,125,329	
44	2049	3	21.376	2,138		7,144.567	
45	2050	2	21,434	2,143		7,163.857	
46	2051	1	21,492	2,149		7,183.200	
47	2052	Ō		2,155	7,181,045	· · ·) · · · ·	
			892,891	91,444	\$ 7,181,045	304,813,627	

Whole Life Depreciation Rate Calculation

on the Depresation Rate Calculation	
Initial Balance	6,379,598
Interim Additions	892,891
Gross Salvage Value	359,052
Less Cost of Removal	718,104
Net Salvage Value	(359,052)
Total to be Recovered	7,631,541
Forecast Plant Balances	304,813,627
Gross Accrual Rate	2.27%
Cost of Removal Accrual Rate	0.24%
Whole Life Accrual Rate	2.50%

Whole Life Service Life, years A-56

39.9

Black Hills Power	Gross Salvage	5%
	Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage	-5%
Unit Property: Steam Production, Wygen III Plant	Install Date	2010
Modeled on Wygen II Depreciation Rate Assumptions	Retirement Date	2055
	Service Life, Yrs	45

Historical and Forecast Plant Additions & Balances Account: 316 Miscellaneous Plant Equipment

Projected Initial Plant Balance

59,649

	[A]	[B]	[C]	[D]	[E]	[F]
• •	Vintage	Vintage _	Interim		Final	EOY Plant
Line	Year	Age	Additions R	etirements	Retirements	Balance
			\$	\$	\$	\$
,	F		5 000/	0.500/		
1	Forecast Inter	Im Activity	5.00%	0.50%		50 (10
2	2009	45	-	-		59,649
2	2010	44	2,982	298		62,333
3	2011	43	3,117	312		65,138
4	2012	42	3,257	326		68,070
2	2013	41	3,403	340		71,133
6	2014	40	3,357	356		74,534
/	2015	39	3,/1/	3/2		//,0/9
ð	2016	38	3,884	388		81,174
9	2017	3/	4,059	406		84,827
10	2018	30	4,241	424		88,044
11	2019	33	4,432	443		92,033
12	2020	34	4,032	403		90,802
13	2021	22	4,840	484		101,158
14	2022	32	5,038	500		105,710
15	2023	31	5,280	529		110,407
10	2024	30	5,523	532		115,458
17	2025	29	5,172	577		120,033
10	2020	28	6,032	6003		120,001
19	2027	21	0,303	650		131,/34
20	2028	20	6,007	609		137,002
21	2029	23	7 103	710		145,657
22	2030	24	7,195	717		150,550
23	2031	23	7,517	732		157,095
24	2032	21	8 208	821		171 552
25	2033	20	8,208	858		171,332
20	2034	10	8 964	896		187 330
27	2035	19	0 367	037		107,557
20	2030	17	0.788	070		204 570
30	2037	16	10 220	1 023		213 785
31	2038	15	10,689	1,025		213,765
32	2035	14	11,170	1,005		223,403
32	2041	13	11,170	1,167		200,100
34	2042	12	12 198	1 220		254 942
35	2043	ĩĩ	12,747	1,275		266 415
36	2044	10	13.321	1.332		278 404
37	2045	9	13,920	1.392		290,932
38	2046	8	14.547	1,455		304.024
39	2047	7	15.201	1,520		317.705
40	2048	6	15.885	1,589		332.001
41	2049	5	16.600	1.660		346.941
42	2050	4	17.347	1,735		362.554
43	2051	3	18,128	1,813		378.869
44	2052	2	18,943	1,894		395,918
45	2053	1	19,796	1,980		413,734
46	2054	0	-	2,069	411,666	
			393,428	41,411	\$ 411,666	8,282,289
			v	Vhole Life De	preciation Rate Cal	culation
					Initial Balance	59,649
					Interim Additions	393,428
				G	ross Salvage Value	20,583
				Le	ss Cost of Removal	41,167
					Net Salvage Value	(20,583)
				To	tal to be Recovered	473,660
				Fore	cast Plant Balances	8,282,289
					Gross Accrual Rate	5 22%

Whole Life Accrual Rate Whole Life Service Life, years

Cost of Removal Accrual Rate

0.50%

5.72%

17.5