

Section J

20:10:13:86. Statement J -- Depreciation expense. Statement J shall show for the test period depreciation expense by functional classification. These expenses shall be shown in separate columns as follows:

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

The bases, methods, essential computations and derivation of unit rates for the calculation of depreciation expense for the test period and for the depreciation adjustments shall be fully and clearly explained. The amounts of depreciable plant shall be shown by the functions specified in paragraph C of account 108, accumulated provisions for depreciation of plant in service of the FERC's uniform systems of accounts for public utilities and licensees or for gas companies and, if available, for each detailed plant account in the 300 series, together with the rates used in computing such expenses. Any deviation from the rates used in disposing of the utility's last previous rate filing or determination by this commission shall be explained, showing the rate or rates previously used together with supporting data for the new rate or rates used for this filing. Material required by § 20:10:13:87 shall be submitted as a part of statement J.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Cost of Service Model Description

Section J

20:10:13:87. Schedule J-1 -- Expense charged other than prescribed depreciation.

Schedule J-1 shall be included in support of statement J as a reconciliation of the aggregate investment in electric or gas plant shown in statement D, and the expense thereon charged in the first instance to other than prescribed depreciation expense accounts.

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

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
DEPRECIATION AND AMORTIZATION EXPENSE
FOR THE TEST YEAR ENDED JUNE 30, 2009

Statement J
Page 1 of 1

Line No.	Description	Reference	(a) Stmt D pg.2 Adjusted Plant in Service	(b) Sched D-3 Less: Non- Depreciable Items	(c) (a) - (b) Depreciable Plant	(d) Functional Class Depreciation Rate	(e) (c) * (d) Adjusted Depreciation Expense	(f) Sched E-1 Depreciation/ Amortization Expense Per Books	(g) (e) - (f) Depreciation Adjustment
1	Steam Production		\$ 263,317,094	\$ 333,941	\$ 262,983,153	2.80%	\$ 7,363,528	\$ 6,071,782	\$ 1,291,746
2	Wygen III		128,480,505		128,480,505	2.72%	3,494,670	-	3,494,670
3	Other Production		78,477,086	2,705	78,474,381	2.19%	1,718,589	2,703,555	(984,966)
4	Total Production Plant	Sum of Ln.1 - Ln.3	470,274,685	336,646	469,938,039		12,576,787	8,775,337	3,801,450
5									
6	Transmission		85,708,028	2,159,768	83,548,260	2.12%	1,771,223	1,742,481	28,742
7									
8	Distribution		257,941,150	1,549,371	256,391,779	2.72%	6,973,856	7,484,970	(511,114)
9									
10	General		44,156,669	602,008	43,554,661	4.61%	2,007,870	1,702,509	305,361
11									
12	Other Utility Plant		7,692,438	-	7,692,438	18.38%	1,413,870	595,478	818,392
13									
14	Subtotal Plant in Service	Sum of Ln.4 - Ln.12	865,772,970	4,647,793	861,125,177		24,743,606	20,300,775	4,442,831
15									
16	Wyodak, Osage & Kirk Acq. Adj.		4,870,308	-	4,870,308	3.11%	151,404	151,404	-
17									
18	Total Plant in Service	Ln.14 + Ln.16	<u>\$ 870,643,278</u>	<u>\$ 4,647,793</u>	<u>\$ 865,995,485</u>		<u>\$ 24,895,010</u>	<u>\$ 20,452,179</u>	<u>\$ 4,442,831</u>
19									
20	Less: Wygen III								3,494,670
21									
22	Adjusted Total for Accum Depreciation	Ln.18 - Ln.20							<u>\$ 948,161</u>

BLACK HILLS POWER, INC.
EXPENSE CHARGED OTHER THAN PRESCRIBED DEPRECIATION
FOR THE TEST YEAR ENDED JUNE 30, 2009

Schedule J-1
Page 1 of 1

<u>Line</u> <u>No.</u>	<u>Policy Description</u>
1	Black Hills Power did not have any expenses charged other than prescribed depreciation
2	for the test year.