

Section F

20:10:13:71. Schedule F-3 -- DataUsed in Computing Working Capital. Schedule F-3 shall show the computations, cross references, and sources from which the data used in computing claimed working capital is derived.

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](#).

Schedule F-3 page 1: This schedule shows the cash working capital for the test year ended June 30, 2012.

Schedule F-3 page 2: This schedule shows the adjusted cash working capital for the test year ended June 30, 2012. The calculation of the adjusted cash working capital is based on adjusted expenses and adjusted revenues.

Schedule F-3 Lead/Lag Calculations: The Expense per Day in column (b), is calculated by dividing the per book recorded amounts in column (a) by 365 days in a year. The Expense per Day is then multiplied by the Expense Lead Days in column (c) to determine the Expense Dollar Days for column (d).

The Expense Lead Days is a calculation of the time lag between services/goods received and the payment of such costs based on a selection of invoices specific to each expense category. For example, if the invoice for services provided for the month of April was paid on May 20th, the Expense Lead Days would be 35. The 35 days is calculated by taking April's mid-service point of 15 days, since the service was for the entire month and adding the 20 days in May before the invoice was paid.

The Revenue Lag Days is a calculation of the time lag between services rendered and the receipt of revenues for such services. The components of this calculation include average: 1) service month midpoint days, 2) meter reading to billing days, and 3) billing to collection days.

The Gross Cash Working Capital Requirement on line 47 is calculated by multiplying the total Expense per Day in column (b) – Line 41 by the Net Lead/Lag Days on line 45.

The Net Cash Working Capital Requirement on line 49 is determined based on the Gross Cash Working Capital on line 47 net of the calculated cash available from tax collections on behalf of other parties, Tax Collections Available (Line 48).

BLACK HILLS POWER, INC.
PER BOOKS CASH WORKING CAPITAL CALCULATION
For the Test Year Ended June 30, 2012

Schedule F-3
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Line No.	Description	Reference	(a) Per Books	(b) [(a)/365] Expense Per Day	(c) Expense Lead Days	(d) [(b)*(c)] Expense Dollar Days
1	OPERATIONS AND MAINTENANCE					
2	Coal	Stmt. H Ln. 6(a)	\$ 21,163,029	\$ 57,981	35.2	\$ 2,040,931
3	Coal Transportation	Stmt. H Ln. 7(a)	1,324,658	3,629	30.4	110,322
4	Natural Gas - Other Production	Stmt. H Ln. 27(a)	2,074,106	5,682	38.2	217,052
5	Purchased Power and Capacity	Stmt. H Ln. 47(a)	48,700,401	133,426	33.6	4,483,114
6	Transmission	Stmt. H Ln. 56(a)	18,592,582	50,939	26.0	1,324,414
7	Net Payroll	Sched. H-1 Ln. 29(a)	11,342,872	31,076	14.0	435,064
8	Workers Comp		591,757	1,621	732.3	1,187,058
9	Service/Holding Company Charges	Sched. H-4 Ln.21(a) + Sched. H-5 Ln.49(a)	28,233,766	77,353	44.7	3,457,679
10	Other O&M		22,514,739	61,684	32.1	1,980,056
11						
12	Subtotal	Sum(Ln.2:Ln.10)	154,537,909	423,391		15,235,690
13						
14	Wyodak Power Plant O&M		3,659,122	10,025	69.4	695,735
15						
16	Total O&M	Stmt. H Ln. 136(a); Ln.12 + Ln.14	158,197,031	433,416		15,931,425
17						
18	TAXES OTHER THAN INCOME TAX					
19	Property Tax	Stmt. L Ln. 14(a)	4,660,470	12,768	309.6	3,952,973
20	Unemployment - FUTA and SUTA	Stmt. L (Ln. 3(a) + Ln. 7(a))	114,517	314	76	23,864
21	Montana Electric Energy	Stmt. L Ln. 8(a)	17,789	49	63.5	3,112
22	Wyoming Franchise Tax	Stmt. L Ln. 9(a)	60,432	166	50.3	8,350
23	South Dakota PUC	Stmt. L Ln. 10(a)	216,138	592	345	204,240
24	Wyoming PSC	Stmt. L Ln. 11(a)	(2,479)	(7)	525.5	(3,679)
26	FICA	Stmt. L Ln. 2(a)	2,917,700	7,994	15	119,910
27	Total Taxes Other Than Income Tax	Sum(Ln.19:Ln.26)	7,984,567	21,876		4,308,770
28						
29	Depreciation	Stmt. J Ln. 21(f)	27,569,938	75,534		
30	Amortization	Stmt. J Ln. 23(f)	97,406	267		
31	Subtotal	Ln.29 + Ln.30	27,667,345	75,801		
32						
33	INCOME TAXES					
34	Federal	Stmt. K pg. 2 Ln. 59(a)	13,350,019	36,575	37.5	1,371,563
35	Subtotal		13,350,019	36,575		1,371,563
36						
37	INTEREST EXPENSE					
38	Long-Term Debt	Stmt. G pg. 2 Ln. 21(k)	18,067,707	49,501	88.1	4,361,038
39	Subtotal		18,067,707	49,501		4,361,038
40						
41	Grand Totals			\$ 617,169		\$ 25,972,796
42						
43	Revenue Lag Days		37.96			
44	Expense Lead Days	Ln. 41(d) / Ln.41(b)	42.08			
45	Net Days	Ln.43 - Ln.44	(4.12)			
46						
47	Gross Cash Working Capital Requirement	Ln. 41(b) * Ln. 45(a)		(2,542,736)		
48	Less: Tax Collections Available	Ln. 56(d)		(1,088,612)		
49	Net Cash Working Capital Requirement	Ln.47 + Ln.48		<u>\$ (3,631,348)</u>		
50						
51	TAX COLLECTIONS AVAILABLE					
52	FICA Taxes (Employee Contribution)		\$ 1,315,971	\$ 3,605	15	\$ 54,075
53	Federal Withholding Tax		3,177,430	8,705	15	130,575
54	South Dakota Sales and Use Tax		6,804,854	18,643	45.3	844,528
55	Wyoming Sales and Use Tax		478,700	1,312	45.3	59,434
56	Total	Sum(Ln.52:Ln.55)	<u>\$ 11,776,955</u>	<u>\$ 32,265</u>		<u>\$ 1,088,612</u>

BLACK HILLS POWER, INC.
ADJUSTED CASH WORKING CAPITAL CALCULATION
For the Test Year Ended June 30, 2012

Schedule F-3
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Line No.	Description	Reference	(a) Adjusted Total	(b) (a)/365 Expense Per Day	(c) Expense Lead Days	(d) (b)*(c) Expense Dollar Days
1	OPERATIONS AND MAINTENANCE					
2	Coal	Stmt. H Ln. 6(r)	\$ -	-	35.2	\$ -
3	Coal Transportation	Stmt. H Ln. 7(r)	-	-	30.4	-
4	Natural Gas - Other Production	Stmt. H Ln. 27(r)	-	-	38.2	-
5	Purchased Power and Capacity	Stmt. H Ln. 47(r)	7,432,664	20,363	33.6	684,197
6	Transmission	Stmt. H Ln. 56(r)	-	-	26	-
7	Net Payroll	Sched. H-1 (Ln. 29(a) + Ln. 29(d))	11,223,146	30,748	14	430,472
8	Workers Comp		591,757	1,621	732.3	1,187,058
9	Service/Holding Company Charges	Sched. H-4 Ln. 21(b) + Sched. H-5 Ln. 49(b)	31,862,209	87,294	44.7	3,902,042
10	Other O&M		16,718,308	45,804	32.1	1,470,308
11						
12	Subtotal	Sum (Ln.2:Ln.10)	67,828,084	185,830		7,674,077
13						
14	Wyodak Power Plant O&M		3,659,122	10,025	69.4	695,735
15						
16	Total O&M	Stmt. H Ln. 136(r); Ln.12 + Ln.14	71,487,206	195,855		8,369,812
17						
18	TAXES OTHER THAN INCOME TAX					
19	Property Tax	Stmt. L Ln. 14(c)	5,130,011	14,055	309.6	4,351,428
20	Unemployment - FUTA and SUTA	Stmt. L (Ln. 3(c) + Ln. 7(c))	114,098	313	76	23,788
21	Montana Electric Energy	Stmt. L Ln. 8(c)	17,789	49	63.5	3,112
22	Wyoming Franchise Tax	Stmt. L Ln. 9(c)	60,432	166	50.3	8,350
23	South Dakota PUC	Stmt. L Ln. 10(c)	236,757	649	345	223,905
24	Wyoming PSC	Stmt. L Ln. 11(c)	1,935	5	525.5	2,628
26	FICA	Stmt. L Ln. 2(c)	2,908,541	7,969	15	119,535
27	Total Taxes Other Than Income Tax	Sum(Ln.19:Ln.26)	8,469,563	23,206		4,732,746
28						
29	Depreciation	Stmt. J Ln. 21(e)	28,684,257	78,587		
30	Amortization	Stmt. J Ln. 23(e)	97,406	267		
31	Subtotal	Ln.29 + Ln. 30	28,781,663	78,854		
32						
33	INCOME TAXES					
34	Federal	Stmt. K pg. 2 Ln. 59(g)	14,599,505	39,999	37.5	1,499,963
35	Subtotal		14,599,505	39,999		1,499,963
36						
37	INTEREST EXPENSE					
38	Long-Term Debt	Stmt. G pg. 3 Ln. 15(k)	17,786,283	48,730	88.1	4,293,113
39	Subtotal		17,786,283	48,730		4,293,113
40						
41	Grand Totals			386,644		18,895,634
42						
43	Revenue Lag Days		37.96			
44	Expense Lead Days	Ln. 41(d) / Ln.41(b)	48.87			
45	Net Days	Ln.43 - Ln.44	(10.91)			
46						
47	Gross Cash Working Capital Requirement	Ln. 41(b) * Ln. 45(a)		(4,218,286)		
48	Less: Tax Collections Available	Ln. 56(d)		(1,088,612)		
49	Total	Ln.47 + Ln.48		\$ (5,306,898)		
50						
51	CUS Adjustment	Stmt F Ln. 1		\$ (320,834)		
52	Net Cash Working Capital Requirement			\$ (5,627,732)		
53						
54	TAX COLLECTIONS AVAILABLE					
55	FICA Taxes (Employee Contribution)		\$ 1,315,971	\$ 3,605	15	\$ 54,075
56	Federal Withholding Tax		3,177,430	8,705	15	130,575
57	South Dakota Sales and Use Tax		6,804,854	18,643	45.3	844,528
58	Wyoming Sales and Use Tax		478,700	1,312	45.3	59,434
59	Total	Sum(Ln.55:Ln.58)	\$ 11,776,955	\$ 32,265		\$ 1,088,612