

Section D

20:10:13:59. Schedule D-5 -- Working Papers on Capitalizing Interest and Other Overheads During Construction. Schedule D-5 shall include a complete statement of the methods and procedures followed in capitalizing interest during construction and other construction overheads, including any policy changes, the effective dates, and the reasons for the changes, for the last five calendar years, ending during the test year.

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.
POLICY OF CAPITALIZING INTEREST AND OTHER OVERHEADS DURING CONSTRUCTION
For the Test Year Ended September 30, 2013

| Line No. | Policy Description |
|-------------|---|
| 1 | |
| 2 | Interest is charged monthly on construction projects on all electric property classified as work in progress not |
| 3 | completed or in service, provided that construction has not been halted for an extended period of time. |
| 4 | |
| 5 | Overhead costs related to construction projects are capitalized in accordance with Electric Plant instructions of the |
| 6 | FERC Uniform System of Accounts. |