

EXHIBIT __ (LK-19)

BUILDING A WORLD OF DIFFERENCE®



BLACK HILLS POWER, INC.

**Report on
Depreciation Accrual Rates**

**Electric Utility Property
Through December 31, 2008**

September 18, 2009

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1953
 Retirement Date 2013
 Service Life, Yrs 60

2008

Historical and Forecast Plant Additions & Balances

Account: 311 Structures & Improvements Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance		
			Transaction Year		Vintage Year Retirements	Year		Adjusted Transaction Year			Adjustments	Per Books	Simulated
			Begin Balance	Additions		Retirements	Additions	Retirements	Additions				
1	1953	60				2,046,367		2,046,367			2,046,367	2,046,367	
2	1954	59			107,853	26,060	6,246	26,060	6,246		2,066,181	2,066,181	
3	1955	58				26,313	6,307	26,313	6,307		2,086,187	2,086,187	
4	1956	57				26,568	6,368	26,568	6,368		2,106,387	2,106,387	
5	1957	56				26,825	6,429	26,825	6,429		2,126,783	2,126,783	
6	1958	55			1,823	27,085	6,492	27,085	6,492		2,147,375	2,147,375	
7	1959	54				27,347	6,555	27,347	6,555		2,168,168	2,168,168	
8	1960	53				27,612	6,618	27,612	6,618		2,189,161	2,189,161	
9	1961	52				27,879	6,682	27,879	6,682		2,210,358	2,210,358	
10	1962	51			432	28,149	6,747	28,149	6,747		2,231,760	2,231,760	
11	1963	50				28,421	6,812	28,421	6,812		2,253,369	2,253,369	
12	1964	49				28,697	6,878	28,697	6,878		2,275,188	2,275,188	
13	1965	48				28,974	6,945	28,974	6,945		2,297,217	2,297,217	
14	1966	47			1,657	29,255	7,012	29,255	7,012		2,319,461	2,319,461	
15	1967	46				29,538	7,080	29,538	7,080		2,341,919	2,341,919	
16	1968	45				29,824	7,148	29,824	7,148		2,364,595	2,364,595	
17	1969	44				30,113	7,218	30,113	7,218		2,387,490	2,387,490	
18	1970	43			2,521	30,405	7,287	30,405	7,287		2,410,608	2,410,608	
19	1971	42				30,699	7,358	30,699	7,358		2,433,948	2,433,948	
20	1972	41			5,973	30,996	7,429	30,996	7,429		2,457,515	2,457,515	
21	1973	40				31,296	7,501	31,296	7,501		2,481,311	2,481,311	
22	1974	39				31,599	7,574	31,599	7,574		2,505,336	2,505,336	
23	1975	38				31,905	7,647	31,905	7,647		2,529,594	2,529,594	
24	1976	37				32,214	7,721	32,214	7,721		2,554,088	2,554,088	
25	1977	36				32,526	7,796	32,526	7,796		2,578,818	2,578,818	
26	1978	35			1,313	32,841	7,871	32,841	7,871		2,603,787	2,603,787	
27	1979	34				33,159	7,948	33,159	7,948		2,628,999	2,628,999	
28	1980	33			459,599	33,480	8,025	33,480	8,025		2,654,455	2,654,455	
29	1981	32				33,804	8,102	33,804	8,102		2,680,157	2,680,157	
30	1982	31				34,132	8,181	34,132	8,181		2,706,107	2,706,107	
31	1983	30			6,667	34,462	8,260	34,462	8,260		2,732,310	2,732,310	
32	1984	29				34,796	8,340	34,796	8,340		2,758,766	2,758,766	
33	1985	28			79,664	35,133	8,421	35,133	8,421		2,785,478	2,785,478	
34	1986	27				35,473	8,502	35,473	8,502		2,812,448	2,812,448	
35	1987	26				35,816	8,585	35,816	8,585		2,839,680	2,839,680	
36	1988	25			87,422	36,163	8,668	36,163	8,668		2,867,176	2,867,176	
37	1989	24	2,867,176	46,652						(33,244)	2,913,828	2,913,828	
38	1990	23				103,313	2,194				2,981,703	2,981,703	
39	1991	22				37,851	12,666				3,006,888	3,006,888	
40	1992	21				147,740	39,067				3,115,561	3,115,561	
41	1993	20				501,546	22,370	501,546	22,370		3,594,737	3,594,737	
42	1994	19				1,337,983	29,747	1,337,983	29,747		4,902,973	4,902,973	
43	1995	18				73,372	-	73,372	-		4,976,345	4,976,345	
44	1996	17				7,898	9,057	7,898	9,057		4,975,185	4,975,185	
45	1997	16					521,670		521,670		4,453,515	4,453,515	
46	1998	15				4,369	136,832	4,369	136,832		4,321,052	4,321,052	
47	1999	14					-		-		4,321,052	4,321,052	
48	2000	13					-		-		4,321,052	4,321,052	
49	2001	12					-		-		4,321,052	4,321,052	
50	2002	11					-		-		4,321,052	4,321,052	
51	2003	10					-		-		4,321,052	4,321,052	
52	2004	9					-		-		4,321,052	4,321,052	
53	2005	8					-		-		4,321,052	4,321,052	
54	2006	7					-		-	(57,372)	4,263,680	4,263,680	
55	2007	6			128,368		-	128,368	-	104	4,392,152	4,392,152	
56	2008	5					-		-		4,392,152	4,392,152	
57	Total		\$ 2,867,176	\$ 2,389,091	\$ 773,603	\$ 773,642	\$ 5,125,928	\$ 258,753	\$ 5,179,464	\$ 978,429	\$ (90,512)	\$ 87,638,547	\$ 82,537,134

Major Additions/Retirements

1997		\$ 521,670
1994	\$ 1,337,983	
Routine Activity	\$ 1,051,108	\$ 251,933
Historical Interim Activity	1.27%	0.31%
Forecast Interim Activity	0.50%	0.31%

60	2009	4				21,961	13,406					4,400,706
61	2010	3				22,004	13,433					4,409,277
62	2011	2				22,046	13,459					4,417,865
63	2012	1				22,089	13,485					4,426,469
64	2013	0								(4,426,469)		-
						\$ 5,267,564	\$ 1,032,211					\$ 187,829,999

Whole Life Depreciation Rate Calculation

Historical Additions	5,179,464
Forecast Additions	88,100
Total Additions	5,267,564
Gross Salvage Value	221,323
Less Cost of Removal	442,647
Net Salvage Value	(221,323)
Total to be Recovered	5,488,888
Forecast Plant Balances	187,829,999
Whole Life Accrual Rate	2.92%
Cost of Removal Accrual Rate	0.24%
Whole Life Accrual Rate (Excluding Cost of Removal)	3.16%
Depreciable Service Life, years	34.2

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	4,392,152
Forecast Additions	88,100
Gross Salvage Value	221,323
Less Cost of Removal	442,647
Net Salvage Value	(221,323)
Forecast Plant Balances	17,654,318

Black Hills Power
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Osage Plant
 Historical and Forecast Plant Additions & Balances
 Account: 314 Turbogenerator Equipment

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1953
 Retirement Date 2013
 Service Life, Yrs 60

2008

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Vintage Year	Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance		
			Transaction Year				Year		Year			Adjustments	Per Books	Simulated
			Begin Balance	Additions	Retirements		Retirements	Additions	Retirements	Additions				
1	1953	60						2,661,025	-		2,661,025		2,661,025	
2	1954	59				66,690	18,400	4,552	18,400	4,552		2,674,872	2,674,872	
3	1955	58					18,495	4,576	18,495	4,576		2,688,791	2,688,791	
4	1956	57					18,592	4,600	18,592	4,600		2,702,783	2,702,783	
5	1957	56					18,688	4,624	18,688	4,624		2,716,848	2,716,848	
6	1958	55					18,786	4,648	18,786	4,648		2,730,985	2,730,985	
7	1959	54					18,883	4,672	18,883	4,672		2,745,197	2,745,197	
8	1960	53					18,982	4,696	18,982	4,696		2,759,482	2,759,482	
9	1961	52					19,080	4,721	19,080	4,721		2,773,841	2,773,841	
10	1962	51					19,180	4,745	19,180	4,745		2,788,276	2,788,276	
11	1963	50					19,280	4,770	19,280	4,770		2,802,785	2,802,785	
12	1964	49					19,380	4,795	19,380	4,795		2,817,370	2,817,370	
13	1965	48					19,481	4,820	19,481	4,820		2,832,031	2,832,031	
14	1966	47					19,582	4,845	19,582	4,845		2,846,768	2,846,768	
15	1967	46					19,684	4,870	19,684	4,870		2,861,582	2,861,582	
16	1968	45					19,786	4,896	19,786	4,896		2,876,473	2,876,473	
17	1969	44					19,889	4,921	19,889	4,921		2,891,441	2,891,441	
18	1970	43					19,993	4,947	19,993	4,947		2,906,487	2,906,487	
19	1971	42					20,097	4,972	20,097	4,972		2,921,612	2,921,612	
20	1972	41					20,202	4,998	20,202	4,998		2,936,815	2,936,815	
21	1973	40					20,307	5,024	20,307	5,024		2,952,098	2,952,098	
22	1974	39					20,412	5,050	20,412	5,050		2,967,460	2,967,460	
23	1975	38					20,519	5,077	20,519	5,077		2,982,901	2,982,901	
24	1976	37					20,625	5,103	20,625	5,103		2,998,424	2,998,424	
25	1977	36					20,733	5,130	20,733	5,130		3,014,027	3,014,027	
26	1978	35					20,841	5,156	20,841	5,156		3,029,711	3,029,711	
27	1979	34				43,235	20,949	5,183	20,949	5,183		3,045,477	3,045,477	
28	1980	33					21,058	5,210	21,058	5,210		3,061,324	3,061,324	
29	1981	32					21,168	5,237	21,168	5,237		3,077,255	3,077,255	
30	1982	31					21,278	5,265	21,278	5,265		3,093,268	3,093,268	
31	1983	30					21,388	5,292	21,388	5,292		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	21,612	5,347	21,612	5,347		3,141,809	3,141,809	
34	1986	27				707	21,724	5,375	21,724	5,375		3,158,158	3,158,158	
35	1987	26					21,837	5,403	21,837	5,403		3,174,593	3,174,593	
36	1988	25					21,951	5,431	21,951	5,431		3,191,112	3,191,112	
37	1989	24	3,191,112	112,899	21,617	500						3,282,394	3,282,394	
38	1990	23		211,355	21,617						33,244	3,505,375	3,505,375	
39	1991	22			26,799							3,478,576	3,478,576	
40	1992	21		195,001	45,891	5,500						3,627,686	3,627,686	
41	1993	20		747,773		1,701		747,773	-			4,375,458	4,375,458	
42	1994	19						-	-			4,375,458	4,375,458	
43	1995	18						-	-			4,375,458	4,375,458	
44	1996	17						-	-			4,375,458	4,375,458	
45	1997	16		32,618	7,929	17,285		32,618	7,929			4,400,147	4,400,147	
46	1998	15						-	-			4,400,147	4,400,147	
47	1999	14						-	-			4,400,147	4,400,147	
48	2000	13						-	-			4,400,147	4,400,147	
49	2001	12		11,637				11,637	-			4,411,785	4,411,785	
50	2002	11						-	-			4,411,785	4,411,785	
51	2003	10						-	-			4,411,785	4,411,785	
52	2004	9						-	-			4,411,785	4,411,785	
53	2005	8		8,524	3,081			8,524	3,081			4,417,227	4,417,227	
54	2006	7		10,627				10,627	-	(107,873)		4,319,981	4,319,981	
55	2007	6		237	17,285			237	17,285	20		4,302,953	4,302,953	
56	2008	5		313,906				313,906	-			4,616,858	4,616,858	
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 Additions/Retirements

1993	\$ 747,773	
2008	\$ 313,906	
Routine Activity	\$ 582,897	\$ 144,220
Historical Interim Activity	0.69%	0.17%
Forecast Interim Activity	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	2011	2				32,256	7,981						4,689,309
63	2012	1				32,424	8,022						4,713,711
64	2013	0								(4,713,711)			-
						\$ 4,619,398	\$ 234,408						\$ 208,067,537

Whole Life Depreciation Rate Calculation

Historical Additions	4,490,705
Forecast Additions	128,693
Total Additions	4,619,398
Gross Salvage Value	235,686
Less Cost of Removal	471,371
Net Salvage Value	(235,686)
Total to be Recovered	4,855,084
Forecast Plant Balances	208,067,537
Whole Life Accrual Rate	2.33%
Cost of Removal Accrual Rate	0.23%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.56%
Depreciable Service Life, years	42.9

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	4,616,858
Forecast Additions	128,693
Gross Salvage Value	235,686
Less Cost of Removal	471,371
Net Salvage Value	(235,686)
Forecast Plant Balances	18,708,936

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Unit Property Depreciation Rate Analysis
 Net Salvage -5%
 Install Date 1953
 Retirement Date 2013
 Service Life, Yrs 60

2008

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

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance		
			Transaction Year			Year		Year			Adjustments	Per Books	Simulated
			Boq Balance	Additions	Retirements	Vintage Year Retirements	Additions	Retirements	Additions				
1	1953	60						348,629			348,629	348,629	
2	1954	59				1,215	453	1,215	453	349,391		349,391	
3	1955	58				1,218	454	1,218	454	350,155		350,155	
4	1956	57				1,221	455	1,221	455	350,920		350,920	
5	1957	56				1,223	456	1,223	456	351,687		351,687	
6	1958	55				1,226	457	1,226	457	352,456		352,456	
7	1959	54				1,229	458	1,229	458	353,226		353,226	
8	1960	53				1,232	459	1,232	459	353,998		353,998	
9	1961	52				1,234	460	1,234	460	354,772		354,772	
10	1962	51				1,237	461	1,237	461	355,548		355,548	
11	1963	50				1,240	462	1,240	462	356,325		356,325	
12	1964	49				1,242	463	1,242	463	357,104		357,104	
13	1965	48				1,245	464	1,245	464	357,884		357,884	
14	1966	47				1,248	465	1,248	465	358,667		358,667	
15	1967	46				1,250	466	1,250	466	359,450		359,450	
16	1968	45				1,253	468	1,253	468	360,236		360,236	
17	1969	44				1,256	469	1,256	469	361,024		361,024	
18	1970	43				1,259	470	1,259	470	361,813		361,813	
19	1971	42				1,261	471	1,261	471	362,604		362,604	
20	1972	41				1,264	472	1,264	472	363,396		363,396	
21	1973	40				1,267	473	1,267	473	364,191		364,191	
22	1974	39				1,270	474	1,270	474	364,987		364,987	
23	1975	38				1,273	475	1,273	475	365,784		365,784	
24	1976	37				1,275	476	1,275	476	366,584		366,584	
25	1977	36				1,278	477	1,278	477	367,385		367,385	
26	1978	35				1,281	478	1,281	478	368,188		368,188	
27	1979	34				1,284	479	1,284	479	368,993		368,993	
28	1980	33				1,286	480	1,286	480	369,800		369,800	
29	1981	32				1,289	481	1,289	481	370,608		370,608	
30	1982	31				1,292	482	1,292	482	371,418		371,418	
31	1983	30				1,295	483	1,295	483	372,230		372,230	
32	1984	29				1,298	484	1,298	484	373,044		373,044	
33	1985	28				1,301	485	1,301	485	373,859		373,859	
34	1986	27				1,303	486	1,303	486	374,676		374,676	
35	1987	26				1,306	487	1,306	487	375,495		375,495	
36	1988	25				1,309	488	1,309	488	376,316		376,316	
37	1989	24	376,316								376,316	376,316	
38	1990	23									376,316	376,316	
39	1991	22									376,316	376,316	
40	1992	21		5,676				5,676			381,992	381,992	
41	1993	20		108,772				108,772			490,763	490,763	
42	1994	19									490,763	490,763	
43	1995	18									490,763	490,763	
44	1996	17		10,760				10,760			501,524	501,524	
45	1997	16									501,524	501,524	
46	1998	15		20,127	19,982			20,127		359,680	881,330	881,330	
47	1999	14							162,486		1,043,817	1,043,817	
48	2000	13									1,043,817	1,043,817	
49	2001	12									1,043,817	1,043,817	
50	2002	11		6,817				6,817		1,649	1,052,282	1,052,282	
51	2003	10									1,052,282	1,052,282	
52	2004	9									1,052,282	1,052,282	
53	2005	8		10,184	19,982			10,184	19,982	167	1,054,450	1,054,450	
54	2006	7									1,054,652	1,054,652	
55	2007	6							12,236		1,054,888	1,054,888	
56	2008	5									1,054,888	1,054,888	
57	Total		\$ 376,316	\$ 162,336	\$ 19,982	\$ 19,982	\$ 392,790	\$ 16,474	\$ 555,126	\$ 36,456	\$ 536,218	\$ 13,042,842	\$ 15,363,388
Major Additions/Retirements 1993				\$ 108,772									
Routine Activity				\$ 53,564	\$ 19,982								
Historical Interim Activity				0.35%	0.13%								
Forecast Interim Activity				0.35%	0.13%								
60	2009	4						3,678	1,372				1,057,194
61	2010	3						3,686	1,375				1,059,504
62	2011	2						3,694	1,378				1,061,820
63	2012	1						3,702	1,381				1,064,141
64	2013	0								(1,064,141)			
								\$ 569,886	\$ 41,962				\$ 32,648,890

Whole Life Depreciation Rate Calculation

Historical Additions	555,126
Forecast Additions	14,760
Total Additions	569,886
Gross Salvage Value	53,207
Less Cost of Removal	106,414
Net Salvage Value	(53,207)
Total to be Recovered	623,093
Forecast Plant Balances	32,648,890
Whole Life Accrual Rate	1.91%
Cost of Removal Accrual Rate	0.33%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.23%
Depreciable Service Life, years	52.4

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	1,054,888
Forecast Additions	14,760
Gross Salvage Value	53,207
Less Cost of Removal	106,414
Net Salvage Value	(53,207)
Forecast Plant Balances	4,242,660

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1953
 Retirement Date 2013
 Service Life, Yrs 60

2008

Historical and Forecast Plant Additions & Balances

Account: 316 Miscellaneous Power Equipment Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction				Transfers and Adjustments	EOY Plant Balance		
			Transaction Year		Vintage Year Retirements	Year		Adjusted Transaction Year		Adjustments		Per Books	Simulated	
			Bcg Balance	Additions		Retirements	Additions	Retirements	Additions					Retirements
1	1953	60							132,992	-		132,992	132,992	
2	1954	59				39,210	2,462	308	2,462	308		135,146	135,146	
3	1955	58					2,502	313	2,502	313		137,335	137,335	
4	1956	57					2,542	318	2,542	318		139,559	139,559	
5	1957	56					2,583	323	2,583	323		141,819	141,819	
6	1958	55					2,625	328	2,625	328		144,116	144,116	
7	1959	54					2,668	334	2,668	334		146,449	146,449	
8	1960	53					2,711	339	2,711	339		148,821	148,821	
9	1961	52					2,755	345	2,755	345		151,231	151,231	
10	1962	51					2,799	350	2,799	350		153,680	153,680	
11	1963	50					2,845	356	2,845	356		156,169	156,169	
12	1964	49					2,891	362	2,891	362		158,698	158,698	
13	1965	48					2,937	367	2,937	367		161,268	161,268	
14	1966	47					2,985	373	2,985	373		163,880	163,880	
15	1967	46					3,033	379	3,033	379		166,534	166,534	
16	1968	45					3,083	386	3,083	386		169,231	169,231	
17	1969	44					3,132	392	3,132	392		171,972	171,972	
18	1970	43					3,183	398	3,183	398		174,757	174,757	
19	1971	42					3,235	405	3,235	405		177,587	177,587	
20	1972	41				438	3,287	411	3,287	411		180,463	180,463	
21	1973	40				300	3,340	418	3,340	418		183,385	183,385	
22	1974	39					3,394	425	3,394	425		186,355	186,355	
23	1975	38					3,449	431	3,449	431		189,373	189,373	
24	1976	37					3,505	438	3,505	438		192,440	192,440	
25	1977	36				133	3,562	446	3,562	446		195,556	195,556	
26	1978	35				950	3,620	453	3,620	453		198,723	198,723	
27	1979	34				1,850	3,678	460	3,678	460		201,942	201,942	
28	1980	33				3,043	3,738	468	3,738	468		205,212	205,212	
29	1981	32					3,798	475	3,798	475		208,535	208,535	
30	1982	31					3,860	483	3,860	483		211,912	211,912	
31	1983	30					3,922	491	3,922	491		215,344	215,344	
32	1984	29					3,986	499	3,986	499		218,832	218,832	
33	1985	28				511	4,051	507	4,051	507		222,376	222,376	
34	1986	27					4,116	515	4,116	515		225,977	225,977	
35	1987	26					4,183	523	4,183	523		229,637	229,637	
36	1988	25				6,495	4,251	532	4,251	532		233,355	233,355	
37	1989	24	233,355	16,456									249,811	249,811
38	1990	23		22,924	36,023								236,712	236,712
39	1991	22		10,097	3,058						96,488		340,239	340,239
40	1992	21		12,911									353,150	353,150
41	1993	20		14,373						14,373	-		367,523	367,523
42	1994	19		5,898						5,898	-		373,421	373,421
43	1995	18		4,964						4,964	-		378,386	378,386
44	1996	17									101,381		479,777	479,777
45	1997	16			7,352						7,352		472,425	472,425
46	1998	15		7,941		3,033				7,941	-		480,366	480,366
47	1999	14		947						947	-		481,313	481,313
48	2000	13		1,825						1,825	-	6,729	488,868	488,868
49	2001	12		3,738						3,738	-		492,605	492,605
50	2002	11		22,539						22,539	-		515,144	515,144
51	2003	10									-		515,144	515,144
52	2004	9		6,297	6,495					6,297	6,495		514,946	514,946
53	2005	8		2,502						2,502	-		517,449	517,449
54	2006	7		21,870						21,870	-	(88,392)	450,927	450,927
55	2007	6		4,128	3,033					4,128	3,033		452,022	452,022
56	2008	5									-		452,022	452,022
57	Total		\$ 233,355	\$ 159,411	\$ 55,961	\$ 55,961	\$ 247,703	\$ 14,347	\$ 344,726	\$ 31,227	\$ 115,217	\$ 6,430,662	\$ 8,612,253	\$ 15,042,915

Major Additions/Retirements 1990

\$ 36,023

Routine Activity

\$ 159,411 \$ 19,938

Historical Interim Activity

1.85% 0.23%

Forecast Interim Activity

1.00% 0.23%

60	2009	4								4,520	1,046		455,496	455,496	
61	2010	3								4,555	1,055		458,996	458,996	
62	2011	2								4,590	1,063		462,524	462,524	
63	2012	1								4,625	1,071		466,078	466,078	
64	2013	0										(466,078)	-	-	
											\$ 363,016	\$ 35,462		\$ 16,886,009	

Whole Life Depreciation Rate Calculation

Historical Additions	344,726
Forecast Additions	18,290
Total Additions	363,016
Gross Salvage Value	23,304
Less Cost of Removal	46,608
Net Salvage Value	(23,304)
Total to be Recovered	386,320

Forecast Plant Balances 16,886,009

Whole Life Accrual Rate 2.29%

Cost of Removal Accrual Rate 0.28%

Whole Life Accrual Rate (Excluding Cost of Removal) 2.56%

Depreciable Service Life, years 43.7

Remaining Life Depreciation Rate Calculation

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 1,343,094

Summary by Plant
 Black Hills Power
 Ben French Facility

Account	Description	Direct Investment 2008\$	Depreciation 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

Remaining Life Depreciation Rate Calculation

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
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Ben French Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1960
 Retirement Date 2023
 Service Life, Yrs 63

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

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction				Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance		
			Transaction Year		Vintage Year Retirements	Year		Year		Adjustments	Per Books		Simulated		
			Beq. Balance	Additions		Retirements	Additions	Retirements	Additions					Retirements	
1	1960	63								1,645,152	-		1,645,152	1,645,152	
2	1961	62								18,125	7,282		1,655,995	1,655,995	
3	1962	61				110,466				18,245	7,330		1,666,911	1,666,911	
4	1963	60								18,365	7,378		1,677,898	1,677,898	
5	1964	59								18,486	7,426		1,688,957	1,688,957	
6	1965	58								18,608	7,475		1,700,090	1,700,090	
7	1966	57								18,731	7,525		1,711,296	1,711,296	
8	1967	56								18,854	7,574		1,722,576	1,722,576	
9	1968	55								18,978	7,624		1,733,930	1,733,930	
10	1969	54								19,103	7,674		1,745,359	1,745,359	
11	1970	53								19,229	7,725		1,756,863	1,756,863	
12	1971	52				567				19,356	7,776		1,768,443	1,768,443	
13	1972	51								19,484	7,827		1,780,099	1,780,099	
14	1973	50								19,612	7,879		1,791,832	1,791,832	
15	1974	49								19,741	7,931		1,803,643	1,803,643	
16	1975	48								19,871	7,983		1,815,531	1,815,531	
17	1976	47								20,002	8,036		1,827,498	1,827,498	
18	1977	46								20,134	8,089		1,839,544	1,839,544	
19	1978	45								20,267	8,142		1,851,669	1,851,669	
20	1979	44								20,401	8,196		1,863,874	1,863,874	
21	1980	43				16,059				20,535	8,250		1,876,159	1,876,159	
22	1981	42				7,135				20,670	8,304		1,888,526	1,888,526	
23	1982	41				3,853				20,807	8,359		1,900,974	1,900,974	
24	1983	40								20,944	8,414		1,913,504	1,913,504	
25	1984	39								21,082	8,469		1,926,116	1,926,116	
26	1985	38								21,221	8,525		1,938,812	1,938,812	
27	1986	37							3,566	21,361	8,581		1,951,591	1,951,591	
28	1987	36								21,501	8,638		1,964,455	1,964,455	
29	1988	35							39,280	21,643	8,695		1,977,403	1,977,403	
30	1989	34	1,977,403	9,156	567					9,156	567		1,985,992	1,985,992	
31	1990	33		3,453	34,000					3,453	34,000		1,955,445	1,955,445	
32	1991	32		57,884	18,022					57,884	18,022		1,995,307	1,995,307	
33	1992	31		32,045	3,018					32,045	3,018		2,024,334	2,024,334	
34	1993	30		42,529	64,172					42,529	64,172		2,002,691	2,002,691	
35	1994	29		60,359	-					60,359	-		2,063,050	2,063,050	
36	1995	28		4,810	-					4,810	-		2,067,860	2,067,860	
37	1996	27		78,597	1,265					78,597	1,265		2,145,193	2,145,193	
38	1997	26		-	-					-	-	(135,790)	2,009,403	2,009,403	
39	1998	25		-	-					-	-	-	2,009,403	2,009,403	
40	1999	24		-	-					-	-	-	2,009,403	2,009,403	
41	2000	23		-	-					-	-	-	2,009,403	2,009,403	
42	2001	22		-	-					-	-	-	2,009,403	2,009,403	
43	2002	21		25,330	16,750					25,330	16,750		2,017,982	2,017,982	
44	2003	20		12,030	-					12,030	-		2,030,013	2,030,013	
45	2004	19		100,652	43,133					100,652	43,133		2,087,532	2,087,532	
46	2005	18		8,946	-					8,946	-		2,096,478	2,096,478	
47	2006	17		14,576	-					14,576	-	8,617	2,119,670	2,119,670	
48	2007	16		-	-					-	-	-	2,119,670	2,119,670	
49	2008	15		-	-					-	-	-	2,119,670	2,119,670	
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	\$ 93,262,599	

Major Additions/Retirements

Routine Activity \$ 450,368
 Historical Interim Activity 1.09% 0.44%
 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	\$ 180,926	\$ 2,200,508	\$ 223,105	\$ 2,992,205	\$ 541,155	\$ (2,451,049)			\$ 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%

Depreciable Service Life, years 40.0

Remaining Life Depreciation 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)
Forecast Plant Balances	31,185,130

Black Hills Power
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Ben French Plant
 Historical and Forecast Plant Additions & Balances
 Account: 312 Boiler Plant Equipment

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1960
 Retirement Date 2023
 Service Life, Yrs 63

2008

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction			Adjusted Transaction Year	Transfers and Adjustments	BOY Plant Balance			
			Transaction Year		Vintage Year Retirements	Year		Additions			Retirements	Adjustments	Per Books	Simulated
			Beq. Balance	Additions		Retirements	Additions							
1	1960	63			2,500	3,820,187		3,820,187		3,820,187		3,820,187		
2	1961	62				52,984	12,641	52,984	12,641	3,860,530		3,860,530		
3	1962	61			39,889	53,544	12,774	53,544	12,774	3,901,299		3,901,299		
4	1963	60				54,109	12,909	54,109	12,909	3,942,499		3,942,499		
5	1964	59				54,681	13,046	54,681	13,046	3,984,134		3,984,134		
6	1965	58				55,258	13,183	55,258	13,183	4,026,209		4,026,209		
7	1966	57				55,842	13,323	55,842	13,323	4,068,728		4,068,728		
8	1967	56				56,431	13,463	56,431	13,463	4,111,696		4,111,696		
9	1968	55				57,027	13,605	57,027	13,605	4,155,118		4,155,118		
10	1969	54				57,630	13,749	57,630	13,749	4,198,999		4,198,999		
11	1970	53				58,238	13,894	58,238	13,894	4,243,343		4,243,343		
12	1971	52				58,853	14,041	58,853	14,041	4,288,155		4,288,155		
13	1972	51				59,475	14,189	59,475	14,189	4,333,440		4,333,440		
14	1973	50				60,105	14,339	60,103	14,339	4,379,204		4,379,204		
15	1974	49				60,738	14,491	61,379	14,644	4,425,451		4,425,451		
16	1975	48				61,379	14,644	62,027	14,798	4,472,186		4,472,186		
17	1976	47				62,027	14,798	62,682	14,955	4,519,415		4,519,415		
18	1977	46				62,682	14,955	63,344	15,113	4,567,142		4,567,142		
19	1978	45				63,344	15,113	64,013	15,272	4,615,374		4,615,374		
20	1979	44			6,000	64,013	15,272	64,689	15,433	4,664,115		4,664,115		
21	1980	43			98,487	64,689	15,433	65,372	15,596	4,713,371		4,713,371		
22	1981	42			32,549	65,372	15,596	66,063	15,761	4,763,147		4,763,147		
23	1982	41			12,941	66,063	15,761	66,760	15,928	4,813,448		4,813,448		
24	1983	40				66,760	15,928	67,465	16,096	4,864,281		4,864,281		
25	1984	39				67,465	16,096	68,178	16,266	4,915,651		4,915,651		
26	1985	38				68,178	16,266	68,898	16,437	4,967,563		4,967,563		
27	1986	37				68,898	16,437	69,625	16,611	5,020,023		5,020,023		
28	1987	36				69,625	16,611	70,361	16,787	5,073,037		5,073,037		
29	1988	35			72,919	70,361	16,787	71,134	17,000	5,126,612		5,126,612		
30	1989	34			29,189	71,134	17,000	71,922	17,175	5,181,115	5,163,634	5,163,634		
31	1990	33	5,126,612	37,022		72,792	17,175	73,588	17,350	5,236,208	5,207,115	5,207,115		
32	1991	32		15,092	9,353	74,588	17,350	75,400	17,525	5,291,208	5,222,208	5,222,208		
33	1992	31		148,634	133,732	76,400	17,525	77,232	17,700	5,346,208	5,241,811	5,241,811		
34	1993	30		21,689		77,232	17,700	78,063	17,875	5,401,208	5,263,500	5,263,500		
35	1994	29		35,582	2,092	78,063	17,875	78,900	18,050	5,456,208	5,296,589	5,296,589		
36	1995	28		129,310	7,100	79,750	18,225	80,575	18,425	5,511,208	5,419,199	5,419,199		
37	1996	27				80,575	18,425	81,450	18,600	5,566,208	5,419,199	5,419,199		
38	1997	26		11,134		81,450	18,600	82,325	18,775	5,621,208	5,504,369	5,504,369		
39	1998	25		57,570		82,325	18,775	83,200	18,950	5,676,208	5,561,939	5,561,939		
40	1999	24		26,381	8,000	83,200	18,950	84,075	19,125	5,731,208	5,580,320	5,580,320		
41	2000	23		271,830	28,500	84,075	19,125	84,950	19,300	5,786,208	5,743,848	5,743,848		
42	2001	22				84,950	19,300	85,825	19,475	5,841,208	5,743,848	5,743,848		
43	2002	21		19,484		85,825	19,475	86,700	19,650	5,896,208	5,763,332	5,763,332		
44	2003	20				86,700	19,650	87,575	19,825	5,951,208	5,763,332	5,763,332		
45	2004	19		89,039	41,778	87,575	19,825	88,450	20,000	6,006,208	5,810,593	5,810,593		
46	2005	18		22,792	3,588	88,450	20,000	89,325	20,175	6,061,208	5,829,796	5,829,796		
47	2006	17		230,602	72,919	89,325	20,175	90,200	20,350	6,116,208	6,080,183	6,080,183		
48	2007	16		205,698	29,189	90,200	20,350	91,075	20,525	6,171,208	6,256,691	6,256,691		
49	2008	15		182,522	35,265	91,075	20,525	91,950	20,700	6,226,208	6,403,948	6,403,948		
50	Total		\$ 5,126,612	\$ 1,557,214	\$ 371,517	\$ 371,517	\$ 5,535,956	\$ 409,345	\$ 7,093,171	\$ 780,861	\$ 91,639	\$ 128,834,355	\$ 112,275,853	\$ 241,110,208

Major Additions/Retirements

	Routine Activity		\$ 1,557,214											
51	Historical Interim Activity		1.39%	0.33%										
52	Forecast Interim Activity		1.39%	0.33%										
53	2009	14				88,820	21,190						6,471,577	
54	2010	13				89,758	21,414						6,539,921	
55	2011	12				1,990,706	21,640						8,508,986	
56	2012	11				118,016	28,156						8,598,846	
57	2013	10				119,262	28,453						8,689,655	
58	2014	9				120,522	28,754						8,781,422	
59	2015	8				121,794	29,057						8,874,159	
60	2016	7				2,272,757	29,364						11,117,552	
61	2017	6				154,195	36,788						11,234,959	
62	2018	5				155,824	37,176						11,353,607	
63	2019	4				157,469	37,569						11,473,508	
64	2020	3				159,132	37,965						11,594,674	
65	2021	2				160,813	38,366						11,717,121	
66	2022	1				162,511	38,772						11,840,860	
67	2023	0								(11,840,860)				
												\$ 12,964,749	\$ 1,215,527	\$ 377,907,055

Whole Life Depreciation Rate Calculation

Historical Additions	7,093,171
Forecast Additions	5,871,578
Total Additions	12,964,749
Gross Salvage Value	(592,043)
Less Cost of Removal	(1,184,086)
Net Salvage Value	(592,043)
Total to be Recovered	13,556,792
Forecast Plant Balances	377,907,055
Whole Life Accrual Rate	3.59%
Cost of Removal Accrual Rate	0.31%
Whole Life Accrual Rate (Excluding Cost of Removal)	3.90%
Depreciable Service Life, years	27.9

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	6,403,948
Forecast Additions	5,871,578
Gross Salvage Value	(592,043)
Less Cost of Removal	(1,184,086)
Net Salvage Value	(592,043)
Forecast Plant Balances	136,796,847

Black Hills Power
 Gross Salvage 5%
 Cost of Removal 10%
 Unit Property Depreciation Rate Analysis
 Net Salvage -5%
 Unit Property: Steam Production, Ben French Plant
 Install Date 1960
 Retirement Date 2023
 Service Life, Yrs 63
 2008

Historical and Forecast Plant Additions & Balances
 Account: 314 Turbogenerator Equipment Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance				
			Transaction Year		Vintage Year Retirements	Year		Additions	Retirements		Additions	Retirements	Adjustments	Per Books	Simulated
			Beq. Balance	Additions		Retirements	Additions								
1	1960	63						1,247,946	-		1,247,946	1,247,946			
2	1961	62				19,893	2,399	19,893	2,399		1,265,440	1,265,440			
3	1962	61			43,500	20,172	2,432	20,172	2,432		1,283,180	1,283,180			
4	1963	60				20,455	2,466	20,455	2,466		1,301,168	1,301,168			
5	1964	59				20,741	2,501	20,741	2,501		1,319,409	1,319,409			
6	1965	58				21,032	2,536	21,032	2,536		1,337,905	1,337,905			
7	1966	57				21,327	2,572	21,327	2,572		1,356,660	1,356,660			
8	1967	56				21,626	2,608	21,626	2,608		1,375,679	1,375,679			
9	1968	55				21,929	2,644	21,929	2,644		1,394,964	1,394,964			
10	1969	54				22,237	2,681	22,237	2,681		1,414,519	1,414,519			
11	1970	53				22,548	2,719	22,548	2,719		1,434,348	1,434,348			
12	1971	52				22,864	2,757	22,864	2,757		1,454,456	1,454,456			
13	1972	51				23,185	2,796	23,185	2,796		1,474,845	1,474,845			
14	1973	50				23,510	2,835	23,510	2,835		1,495,520	1,495,520			
15	1974	49				23,840	2,875	23,840	2,875		1,516,485	1,516,485			
16	1975	48				24,174	2,915	24,174	2,915		1,537,744	1,537,744			
17	1976	47				24,513	2,956	24,513	2,956		1,559,301	1,559,301			
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			
20	1979	44				25,558	3,082	25,558	3,082		1,625,802	1,625,802			
21	1980	43				25,916	3,125	25,916	3,125		1,648,593	1,648,593			
22	1981	42				26,280	3,169	26,280	3,169		1,671,704	1,671,704			
23	1982	41				26,648	3,213	26,648	3,213		1,695,139	1,695,139			
24	1983	40				27,022	3,258	27,022	3,258		1,718,902	1,718,902			
25	1984	39				27,400	3,304	27,400	3,304		1,742,998	1,742,998			
26	1985	38				27,784	3,350	27,784	3,350		1,767,433	1,767,433			
27	1986	37				28,174	3,397	28,174	3,397		1,792,209	1,792,209			
28	1987	36				28,569	3,445	28,569	3,445		1,817,334	1,817,334			
29	1988	35				28,969	3,493	28,969	3,493		1,842,810	1,842,810			
30	1989	34	1,842,810		131,971							1,842,810			
31	1990	33						3,255	-		1,846,064	1,846,064			
32	1991	32		3,255				32,399	5,000		1,873,463	1,873,463			
33	1992	31		124,888	20,000			124,888	20,000		1,978,351	1,978,351			
34	1993	30		98,838	17,500			98,838	17,500		2,059,689	2,059,689			
35	1994	29		47,259	1,000			47,259	1,000		2,105,948	2,105,948			
36	1995	28		8,910				8,910	-		2,114,858	2,114,858			
37	1996	27						-	-		2,114,858	2,114,858			
38	1997	26						-	-		2,114,858	2,114,858			
39	1998	25						-	-		2,114,858	2,114,858			
40	1999	24						-	-		2,114,858	2,114,858			
41	2000	23						-	-		2,114,858	2,114,858			
42	2001	22						-	-		2,114,858	2,114,858			
43	2002	21			269,232			269,232	-		2,384,090	2,384,090			
44	2003	20						-	-		2,384,090	2,384,090			
45	2004	19						-	-		2,384,090	2,384,090			
46	2005	18						-	-		2,384,090	2,384,090			
47	2006	17						-	-		2,384,090	2,384,090			
48	2007	16		116,549	41,066	41,066		116,549	41,066		2,459,572	2,459,572			
49	2008	15		778,336	131,971			778,336	131,971		3,105,937	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	\$ -	\$ 44,276,978	\$ 43,996,286	\$ 88,273,263	

Major Additions/Retirements 2008

\$ 778,336 \$ 131,971

Routine Activity

\$ 701,329 \$ 84,566

51 Historical Interim Activity 1.59% 0.19%

52 Forecast Interim Activity 1.59% 0.19%

53	2009	14						49,511	5,970			3,149,477	3,149,477		
54	2010	13						50,205	6,054			3,193,628	3,193,628		
55	2011	12						50,908	6,139			3,238,398	3,238,398		
56	2012	11						51,622	6,225			3,283,796	3,283,796		
57	2013	10						52,346	6,312			3,329,830	3,329,830		
58	2014	9						53,080	6,400			3,376,509	3,376,509		
59	2015	8						53,824	6,490			3,423,843	3,423,843		
60	2016	7						54,578	6,581			3,471,840	3,471,840		
61	2017	6						55,343	6,673			3,520,510	3,520,510		
62	2018	5						56,119	6,767			3,569,862	3,569,862		
63	2019	4						56,906	6,862			3,619,906	3,619,906		
64	2020	3						57,704	6,958			3,670,652	3,670,652		
65	2021	2						58,513	7,055			3,722,109	3,722,109		
66	2022	1						59,333	7,154			3,774,287	3,774,287		
67	2023	0								(3,774,287)					
											\$ 4,164,028	\$ 389,741			\$ 136,617,911

Whole Life Depreciation Rate Calculation

Historical Additions 3,404,038
 Forecast Additions 759,990
 Total Additions 4,164,028
 Gross Salvage Value 188,714
 Less Cost of Removal 377,429
 Net Salvage Value (188,714)
 Total to be Recovered 4,352,743

Forecast Plant Balances 136,617,911

Whole Life Accrual Rate 3.19%

Cost of Removal Accrual Rate 0.28%

Whole Life Accrual Rate (Excluding Cost of Removal) 3.46%

Depreciable Service Life, years 28.9

Remaining Life Depreciation Rate Calculation

Account Balance - 12/31/08 3,105,937
 Forecast Additions 759,990
 Gross Salvage Value 188,714
 Less Cost of Removal 377,429
 Net Salvage Value (188,714)

Forecast Plant Balances 48,344,648

Black Hills Power
 Gross Salvage 5%
 Cost of Removal 10%
 Unit Property Depreciation Rate Analysis
 Net Salvage -5%
 Unit Property: Steam Production, Ben French Plant
 Install Date 1960
 Retirement Date 2023
 Service Life, Yrs 63
 2008

Historical and Forecast Plant Additions & Balances
 Account: 315 Accessory Electric Equipment
 Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance			
			Transaction Year		Vintage Year Retirements	Year		Transaction Year			Adjustments	Per Books	Simulated	
			Beg. Balance	Additions		Retirements	Additions	Retirements	Additions					Retirements
1	1960	63			899	2,357,756	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				4,171	1,069	4,171	1,069		432,983	432,983		
5	1964	59				4,201	1,077	4,201	1,077		436,107	436,107		
6	1965	58				4,231	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	54				4,355	1,116	4,355	1,116		452,069	452,069		
11	1970	53				4,386	1,124	4,386	1,124		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		468,615	468,615		
16	1975	48				4,547	1,165	4,547	1,165		471,996	471,996		
17	1976	47				4,579	1,174	4,579	1,174		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		
22	1981	42				4,747	1,217	4,747	1,217		492,801	492,801		
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	1,261	4,921	1,261		510,837	510,837		
28	1987	36				4,956	1,270	4,956	1,270		514,523	514,523		
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				5,697	-		552,632	552,632		
33	1992	31		13,820	607			13,820	607		565,846	565,846		
34	1993	30		22,436	1,143			22,436	1,143		587,139	587,139		
35	1994	29						-	-		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	-		587,470	587,470		
39	1998	25						-	-	743,409	1,330,879	1,330,879		
40	1999	24						-	-		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						-	-		1,330,879	1,330,879		
45	2004	19		71,417	20,735			71,417	20,735		1,381,561	1,381,561		
46	2005	18						-	-		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	21,673			32,476	21,673		747,759	747,759		
50	Total		\$ 518,235	\$ 175,777	\$ 45,057	\$ 45,057	\$ 550,804	\$ 32,569	\$ 726,581	\$ 77,626	\$ 98,804	\$ 13,614,418	\$ 18,117,538	\$ 31,713,956

Major Additions/Retirements

Routine Activity	\$ 175,777	\$ 45,057
Historical Interim Activity	0.97%	0.25%
Forecast Interim Activity	0.97%	0.25%

53	2009	14						7,255	1,860				753,154
54	2010	13						7,307	1,873				758,388
55	2011	12						7,360	1,887				764,061
56	2012	11						7,413	1,900				769,374
57	2013	10						7,466	1,914				775,127
58	2014	9						7,520	1,928				780,719
59	2015	8						7,575	1,942				786,352
60	2016	7						7,629	1,956				792,026
61	2017	6						7,684	1,970				797,740
62	2018	5						7,740	1,984				803,496
63	2019	4						7,796	1,998				809,293
64	2020	3						7,852	2,013				815,133
65	2021	2						7,908	2,027				821,014
66	2022	1						7,965	2,042				826,937
67	2023	0								(826,937)			-
								\$ 833,051	\$ 104,918				\$ 42,785,171

Whole Life Depreciation Rate Calculation

Historical Additions	726,581
Forecast Additions	106,470
Total Additions	833,051
Gross Salvage Value	41,347
Less Cost of Removal	82,694
Net Salvage Value	(41,347)
Total to be Recovered	874,398
Forecast Plant Balances	42,785,171
Whole Life Accrual Rate	2.04%
Cost of Removal Accrual Rate	0.19%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.24%
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)
Forecast Plant Balances	11,053,215

Black Hills Power
 Gross Salvage 5%
 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
 2008

Historical and Forecast Plant Additions & Balances
 Account: 316 Miscellaneous Plant Equipment Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction Year		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance			
			Transaction Year		Vintage Year Retirements	Year		Retirements			Adjustments	Per Books	Simulated	
			Beg. Balance	Additions		Retirements	Additions	Retirements						
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				5,308	1,438	5,308	1,438	269,059		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	1,615	5,960	1,615	302,122		302,122		
26	1985	38				6,047	1,638	6,047	1,638	306,531		306,531		
27	1986	37			1,834	6,135	1,662	6,135	1,662	311,004		311,004		
28	1987	36				1,833	6,225	1,686	6,225	315,543		315,543		
29	1988	35				1,822	6,316	1,711	6,316	320,148		320,148		
30	1989	34	320,148	26,516	6,360	26,516	6,360	26,516	6,360	340,304	340,304	340,304		
31	1990	33		6,715	338,812	6,715	338,812	6,715	338,812	8,207	8,207	8,207		
32	1991	32		10,455	1,834	10,455	1,834	10,455	1,834	334,200	334,200	334,200		
33	1992	31		126,790		126,790		126,790			477,818	477,818		
34	1993	30		7,732		7,732		7,732			485,550	485,550		
35	1994	29		28,290	1,696	28,290	1,696	28,290	1,696		513,840	513,840		
36	1995	28		3,987	1,652	3,987	1,652	3,987	1,652		516,174	516,174		
37	1996	27		3,905	997	3,905	997	3,905	997	(101,391)	417,691	417,691		
38	1997	26		8,305		8,305		8,305			425,997	425,997		
39	1998	25		599		599		599			426,595	426,595		
40	1999	24		2,617		2,617		2,617			429,212	429,212		
41	2000	23		2,078		2,078		2,078		13,145	444,435	444,435		
42	2001	22		9,155		9,155		9,155			453,590	453,590		
43	2002	21		32,468	27,363	32,468	27,363	32,468	27,363		458,695	458,695		
44	2003	20		9,665		9,665		9,665			468,360	468,360		
45	2004	19		6,287		6,287		6,287			474,647	474,647		
46	2005	18			1,382						474,647	474,647		
47	2006	17		12,556		12,556		12,556		(19,159)	466,661	466,661		
48	2007	16									466,661	466,661		
49	2008	15			6,826						459,835	459,835		
50	Total		\$ 320,148	\$ 298,120	\$ 385,226	\$ 385,226	\$ 359,815	\$ 39,667	\$ 657,934	\$ 424,893	\$ 226,794	\$ 7,635,683	\$ 8,559,947	\$ 16,195,631

Major Additions/Retirements
 1990 \$ 338,812
 1992 \$ 126,790
 Routine Activity \$ 171,330 \$ 46,414
 Historical Interim Activity 2.00% 0.54%
 Forecast Interim Activity 2.00% 0.54%

51	2009	14				9,204	2,493					466,545
52	2010	13				9,338	2,530					473,354
53	2011	12				9,474	2,567					480,261
54	2012	11				9,613	2,604					487,270
55	2013	10				9,753	2,642					494,380
56	2014	9				9,895	2,681					501,595
57	2015	8				10,040	2,720					508,915
58	2016	7				10,186	2,759					516,341
59	2017	6				10,335	2,800					523,876
60	2018	5				10,486	2,841					531,521
61	2019	4				10,639	2,882					539,278
62	2020	3				10,794	2,924					547,147
63	2021	2				10,951	2,967					555,132
64	2022	1				11,111	3,010					563,233
65	2023	0								(563,233)		-
66	Total					\$ 799,751	\$ 463,313					\$ 23,384,480

Whole Life Depreciation Rate Calculation
 Historical Additions 657,934
 Forecast Additions 141,817
 Total Additions 799,751
 Gross Salvage Value 28,162
 Less Cost of Removal 56,323
 Net Salvage Value (28,162)
 Total to be Recovered 827,913
 Forecast Plant Balances 23,384,480
 Whole Life Accrual Rate 3.54%
 Cost of Removal Accrual Rate 0.24%
 Whole Life Accrual Rate (Excluding Cost of Removal) 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

Account	Description	Direct Investment 2008\$	Depreciation 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% whole life weighted average rate

Remaining Life Depreciation Rate Calculation

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 Power

Gross Salvage 5%
 Cost of Removal 15%
 Net Salvage -10%
 Install Date 1978
 Retirement Date 2030
 Service Life, Yrs 52

2008

Unit Property Depreciation Rate Analysis
Unit Property: Steam Production, Wyodak Plant

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

Initial Plant Balance 9,057

Line	Vintage Year	Vintage Age	Reported Per Books			Vintage Year Retirements	Adjustments to Transaction Year		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance		
			Transaction Year				Additions	Retirements	Additions	Retirements		Per Books	Simulated	
			Beg Balance	Additions	Retirements									
1	1978	52						8,669	-		8,669		8,669	
2	1979	51					48	10	48	10	8,707		8,707	
3	1980	50					48	10	48	10	8,745		8,745	
4	1981	49					48	10	48	10	8,783		8,783	
5	1982	48					48	10	48	10	8,822		8,822	
6	1983	47					49	10	49	10	8,861		8,861	
7	1984	46					49	10	49	10	8,899		8,899	
8	1985	45					49	10	49	10	8,938		8,938	
9	1986	44					49	10	49	10	8,978		8,978	
10	1987	43					50	10	50	10	9,017		9,017	
11	1988	42					50	10	50	10	9,057		9,057	
12	1989	41	9,057									9,057	9,057	
13	1990	40											9,057	
14	1991	39		8,346,974		156,948			8,346,974			8,356,031	8,356,031	
15	1992	38		135,082		22,339			135,082			8,491,113	8,491,113	
16	1993	37											8,491,113	
17	1994	36		111,144					111,144			8,602,257	8,602,257	
18	1995	35											8,602,257	
19	1996	34		178,075	22,339				178,075	22,339		8,757,992	8,757,992	
20	1997	33											8,757,992	
21	1998	32											8,757,992	
22	1999	31		211,509	74,467				211,509	74,467		8,895,035	8,895,035	
23	2000	30											8,895,035	
24	2001	29											8,895,035	
25	2002	28											8,895,035	
26	2003	27		31,636					31,636			8,926,670	8,926,670	
27	2004	26		41,920					41,920			8,968,590	8,968,590	
28	2005	25		26,267					26,267			8,994,857	8,994,857	
29	2006	24		138,834					138,834		(5,922)	9,127,769	9,127,769	
30	2007	23			82,482					82,482	(5,370)	9,039,917	9,039,917	
31	2008	22										9,039,917	9,039,917	
32	Total		\$ 9,057	\$ 9,221,440	\$ 179,288	\$ 179,287	\$ -	\$ -	\$ 9,221,440	\$ 179,288	\$ (11,292)	\$ -	\$ 158,512,720	\$ 158,512,720

Major Additions/Retirements

33	1991 Routine Activity	\$ 8,346,974		
34	Historical Interim Activity	\$ 874,466	0.55%	0.11%
	Forecast Interim Activity		0.55%	0.11%

35	2009	21			49,870	10,225							9,079,563
36	2010	20			50,089	10,270							9,119,382
37	2011	19			50,309	10,315							9,159,377
38	2012	18			50,529	10,360							9,199,546
39	2013	17			50,751	10,405							9,239,892
40	2014	16			50,974	10,451							9,280,415
41	2015	15			51,197	10,497							9,321,115
42	2016	14			51,422	10,543							9,361,994
43	2017	13			51,647	10,589							9,403,052
44	2018	12			51,874	10,635							9,444,291
45	2019	11			52,101	10,682							9,485,710
46	2020	10			52,330	10,729							9,527,311
47	2021	9			52,559	10,776							9,569,094
48	2022	8			52,790	10,823							9,611,061
49	2023	7			53,021	10,871							9,653,211
50	2024	6			53,254	10,918							9,695,547
51	2025	5			53,487	10,966							9,738,068
52	2026	4			53,722	11,014							9,780,775
53	2027	3			53,958	11,063							9,823,670
54	2028	2			54,194	11,111							9,866,753
55	2029	1			54,432	11,160							9,910,025
56	2030	0									(9,910,025)		-
									\$ 10,315,950	\$ 403,690			\$ 357,782,571

Whole Life Depreciation Rate Calculation

Historical Additions	9,221,440
Forecast Additions	1,094,510
Total Additions	10,315,950
Gross Salvage Value	495,501
Less Cost of Removal	1,486,504
Net Salvage Value	(991,003)
Total to be Recovered	11,306,953
Forecast Plant Balances	357,782,571
Whole Life Accrual Rate	3.16%
Cost of Removal Accrual Rate	0.42%
Whole Life Accrual Rate (Excluding Cost of Removal)	3.58%
Depreciable Service Life, years	31.6

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	9,039,917
Forecast Additions	1,094,510
Gross Salvage Value	495,501
Less Cost of Removal	1,486,504
Net Salvage Value	(991,003)
Forecast Plant Balances	199,269,851

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1978
 Retirement Date 2030
 Service Life, Yrs 52

Unit Property Depreciation Rate Analysis
Unit Property: Steam Production, Wyodak Plant

2008

Historical and Forecast Plant Additions & Balances

Account: 312 Boiler Plant Equipment Initial Plant Balance 16,022,256

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction Year				Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance					
			Transaction Year			Vintage Year Retirements	Year		Retirements		Adjustments	Per Books		Simulated					
			Beg Balance	Additions	Retirements		Additions	Retirements	Additions	Retirements									
1	1978	52																	
2	1979	51																	
3	1980	50																	
4	1981	49																	
5	1982	48																	
6	1983	47																	
7	1984	46																	
8	1985	45																	
9	1986	44																	
10	1987	43																	
11	1988	42																	
12	1989	41	16,022,256																
13	1990	40																	
14	1991	39		29,761,701															
15	1992	38		636,467															
16	1993	37																	
17	1994	36			124,541														
18	1995	35			170,532														
19	1996	34			1,258,258														
20	1997	33																	
21	1998	32																	
22	1999	31																	
23	2000	30																	
24	2001	29																	
25	2002	28																	
26	2003	27																	
27	2004	26																	
28	2005	25																	
29	2006	24																	
30	2007	23																	
31	2008	22																	
32	Total		\$ 16,022,256	\$ 47,170,900	\$ 4,428,964	\$ 3,018,994	\$ -	\$ -	\$ 47,170,900	\$ 4,428,964	\$ (7,609,268)	\$ -	\$ 1,101,209,488	\$ 1,101,209,488					

Major Additions/Retirements

1989	\$ 12,327,586
1991	\$ 29,761,701
2007	\$ 2,654,859
Routine Activity	\$ 5,081,613 \$ 1,774,105
33 Historical Interim Activity	0.46% 0.16%
34 Forecast Interim Activity	0.46% 0.16%

35	2009	21																	
36	2010	20																	
37	2011	19																	
38	2012	18																	
39	2013	17																	
40	2014	16																	
41	2015	15																	
42	2016	14																	
43	2017	13																	
44	2018	12																	
45	2019	11																	
46	2020	10																	
47	2021	9																	
48	2022	8																	
49	2023	7																	
50	2024	6																	
51	2025	5																	
52	2026	4																	
53	2027	3																	
54	2028	2																	
55	2029	1																	
56	2030	0																	
										\$ 66,475,758	\$ 6,462,958	(68,425,788)		\$ 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 Calculation

Account Balance 12/31/08	51,154,925
Forecast Additions	19,304,858
Gross Salvage Value	3,421,289
Less Cost of Removal	6,842,579
Net Salvage Value	(3,421,289)
Forecast Plant Balances	1,279,796,923

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1978
 Retirement Date 2030
 Service Life, Yrs 52

Unit Property Depreciation Rate Analysis
Unit Property: Steam Production, Wyodak Plant

2008

Historical and Forecast Plant Additions & Balances

Account: 313 Engine and Engine Driven Generators Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance		
			Transaction Year		Vintage Year	Year		Per Books	Simulated				
			Beg Balance	Additions		Retirements	Additions				Retirements		
1	1978	52											
2	1979	51											
3	1980	50											
4	1981	49											
5	1982	48											
6	1983	47											
7	1984	46											
8	1985	45											
9	1986	44											
10	1987	43											
11	1988	42											
12	1989	41	0										
13	1990	40											
14	1991	39											
15	1992	38											
16	1993	37											
17	1994	36											
18	1995	35											
19	1996	34											
20	1997	33											
21	1998	32											
22	1999	31											
23	2000	30											
24	2001	29											
25	2002	28		232,960				232,960				232,960	232,960
26	2003	27		7,427				7,427				240,387	240,387
27	2004	26		19,645				19,645				260,032	260,032
28	2005	25							(10,041)			249,991	249,991
29	2006	24										249,991	249,991
30	2007	23										249,991	249,991
31	2008	22										249,991	249,991
32	Total		\$	\$ 260,032	\$	\$	\$	\$ 260,032	\$	\$ (10,041)	\$	\$ 1,733,340	\$ 1,733,340

Major Additions/Retirements

	2002	\$ 232,960	
	Routine Activity	\$ 27,072	
33	Historical Interim Activity	1.56%	0.00%
34	Forecast Interim Activity	1.00%	0.00%

35	2009	21		2,500	-								252,490
36	2010	20		2,525	-								255,015
37	2011	19		2,550	-								257,565
38	2012	18		2,576	-								260,141
39	2013	17		2,601	-								262,743
40	2014	16		2,627	-								265,370
41	2015	15		2,654	-								268,024
42	2016	14		2,680	-								270,704
43	2017	13		2,707	-								273,411
44	2018	12		2,734	-								276,145
45	2019	11		2,761	-								278,906
46	2020	10		2,789	-								281,696
47	2021	9		2,817	-								284,513
48	2022	8		2,845	-								287,358
49	2023	7		2,874	-								290,231
50	2024	6		2,902	-								293,134
51	2025	5		2,931	-								296,065
52	2026	4		2,961	-								299,026
53	2027	3		2,990	-								302,016
54	2028	2		3,020	-								305,036
55	2029	1		3,050	-								308,086
56	2030	0			-				(308,086)				-
				\$ 318,127	\$ -								\$ 7,601,014

Whole Life Depreciation Rate Calculation

Historical Additions	260,032
Forecast Additions	58,096
Total Additions	318,127
Gross Salvage Value	15,404
Less Cost of Removal	30,809
Net Salvage Value	(15,404)
Total to be Recovered	333,532
Forecast Plant Balances	7,601,014
Whole Life Accrual Rate	4.39%
Cost of Removal Accrual Rate	0.41%
Whole Life Accrual Rate (Excluding Cost of Removal)	4.79%
Depreciable Service Life, years	22.8

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	249,991
Forecast Additions	58,096
Gross Salvage Value	15,404
Less Cost of Removal	30,809
Net Salvage Value	(15,404)
Forecast Plant Balances	5,867,674

Black Hills Power
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Wyodak Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 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

2008

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction Year		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance		
			Transaction Year		Retirements	Retirements	Additions	Retirements	Additions	Retirements		Adjustments	Per Books	Simulated
			Beg. Balance	Additions										
	1971					1,828								
1	1978	52						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	(10,606)		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	-	(98,843)		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	\$ -	\$ -	\$ 12,110,560	\$ 717,928	\$ (200,663)	\$ -	\$ 179,795,433	\$ 179,795,433

Major Additions/Retirements

1991	\$ 9,214,295	
1996	\$ 543,893	\$ 204,140
2006	\$ 1,975,529	\$ 436,222
Routine Activity	\$ 376,843	\$ 77,566
Historical Interim Activity	0.21%	0.04%
Forecast Interim Activity	0.21%	0.04%

33	2009	21						23,473	4,831					11,217,790
34	2010	20						23,512	4,839					11,236,463
35	2011	19						23,551	4,848					11,255,166
36	2012	18						23,590	4,856					11,273,901
37	2013	17						23,630	4,864					11,292,667
38	2014	16						23,669	4,872					11,311,464
39	2015	15						23,708	4,880					11,330,292
40	2016	14						23,748	4,888					11,349,152
41	2017	13						23,787	4,896					11,368,043
42	2018	12						23,827	4,904					11,386,966
43	2019	11						23,867	4,912					11,405,920
44	2020	10						23,906	4,921					11,424,905
45	2021	9						23,946	4,929					11,443,923
46	2022	8						23,986	4,937					11,462,972
47	2023	7						24,026	4,945					11,482,052
48	2024	6						24,066	4,953					11,501,164
49	2025	5						24,106	4,962					11,520,309
50	2026	4						24,146	4,970					11,539,485
51	2027	3						24,186	4,978					11,558,693
52	2028	2						24,226	4,987					11,577,933
53	2029	1						24,267	4,995					11,597,205
54	2030	0									(11,597,205)			-
								\$ 12,611,783	\$ 821,095					\$ 419,331,895

Whole Life Depreciation 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)
Forecast Plant Balances	239,536,462

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1978
 Retirement Date 2030
 Service Life, Yrs 52

Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Wyodak Plant

2008

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

Initial Plant Balance 0

Line	[A] Vintage Year	[B] Vintage Age	[C] Reported Per Books			[D] Vintage Year Retirements	[E] Adjustments to Transaction		[F] Adjusted Transaction Year		[G] Transfers and Adjustments	[H] EOY Plant Balance		
			Transaction Year		Year		Year		Adjustments	Per Books		Simulated		
			Beg. Balance	Additions			Retirements	Additions					Retirements	
1	1978	52												
2	1979	51												
3	1980	50												
4	1981	49												
5	1982	48												
6	1983	47												
7	1984	46												
8	1985	45												
9	1986	44												
10	1987	43												
11	1988	42												
12	1989	41	0											
13	1990	40												
14	1991	39		5,733,052		249,639			5,733,052				5,733,052	5,733,052
15	1992	38											5,733,052	5,733,052
16	1993	37											5,733,052	5,733,052
17	1994	36		8,595		5,988			8,595				5,741,647	5,741,647
18	1995	35											5,741,647	5,741,647
19	1996	34		296,346		208,756			296,346	208,756			5,829,237	5,829,237
20	1997	33											5,829,237	5,829,237
21	1998	32									99,024		5,928,261	5,928,261
22	1999	31		288,579		1,649			288,579	1,649			6,215,192	6,215,192
23	2000	30											6,215,192	6,215,192
24	2001	29											6,215,192	6,215,192
25	2002	28											6,215,192	6,215,192
26	2003	27		6,803					6,803				6,221,995	6,221,995
27	2004	26											6,221,995	6,221,995
28	2005	25											6,221,995	6,221,995
29	2006	24											6,221,995	6,221,995
30	2007	23		36,398		45,222			36,398	45,222			6,213,171	6,213,171
31	2008	22											6,213,171	6,213,171
32	Total			\$ 6,369,774	\$ 255,627	\$ 255,627	\$ -	\$ -	\$ 6,369,774	\$ 255,627	\$ 99,024	\$ -	\$ 108,444,277	\$ 108,444,277

Major Additions/Retirements
 1991

\$ 5,733,052

Routine Activity

\$ 636,722 \$ 255,627

33 Historical Interim Activity
 34 Forecast Interim Activity

0.59% 0.24%
 0.59% 0.24%

35	2009	21							36,480	14,646				6,235,006
36	2010	20							36,608	14,697				6,256,917
37	2011	19							36,737	14,749				6,278,905
38	2012	18							36,866	14,801				6,300,970
39	2013	17							36,996	14,853				6,323,113
40	2014	16							37,126	14,905				6,345,334
41	2015	15							37,256	14,957				6,367,632
42	2016	14							37,387	15,010				6,390,010
43	2017	13							37,518	15,063				6,412,465
44	2018	12							37,650	15,116				6,435,000
45	2019	11							37,783	15,169				6,457,614
46	2020	10							37,915	15,222				6,480,307
47	2021	9							38,049	15,275				6,503,080
48	2022	8							38,182	15,329				6,525,933
49	2023	7							38,316	15,383				6,548,867
50	2024	6							38,451	15,437				6,571,881
51	2025	5							38,586	15,491				6,594,976
52	2026	4							38,722	15,546				6,618,152
53	2027	3							38,858	15,600				6,641,409
54	2028	2							38,994	15,655				6,664,749
55	2029	1							39,132	15,710				6,688,170
56	2030	0									(6,688,170)			-
										\$ 7,163,387	\$ 574,241			\$ 244,084,766

Whole Life Depreciation Rate Calculation

Historical Additions	6,369,774
Forecast Additions	793,613
Total Additions	7,163,387
Gross Salvage Value	334,408
Less Cost of Removal	668,817
Net Salvage Value	(334,408)
Total to be Recovered	7,497,795

Forecast Plant Balances 244,084,766

Whole Life Accrual Rate 3.07%

Cost of Removal Accrual Rate 0.27%

Whole Life Accrual Rate (Excluding Cost of Removal) 3.35%

Depreciable Service Life, years 32.6

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	6,213,171
Forecast Additions	793,613
Gross Salvage Value	334,408
Less Cost of Removal	668,817
Net Salvage Value	(334,408)

Forecast Plant Balances 135,640,489

Black Hills Power
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Wyojak Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1978
 Retirement Date 2030
 Service Life, Yrs 52

2008

Historical and Forecast Plant Additions & Balances
 Account: 316 Miscellaneous Plant Equipment Initial Plant Balance 21,473

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EQY Plant Balance	
			Transaction Year			Vintage Year	Year		Year			Per Books	Simulated
			Eqg. Balance	Additions	Retirements		Additions	Retirements	Additions	Retirements			
1	1978	52						12,423	-		12,423	12,423	
2	1979	51					724	25	724	25		13,122	
3	1980	50					765	26	765	26		13,860	
4	1981	49					808	28	808	28		14,639	
5	1982	48					853	30	853	30		15,463	
6	1983	47					901	31	901	31		16,333	
7	1984	46					952	33	952	33		17,251	
8	1985	45					1,005	35	1,005	35		18,222	
9	1986	44					1,062	37	1,062	37		19,247	
10	1987	43					1,121	39	1,121	39		20,329	
11	1988	42					1,184	41	1,184	41		21,473	
12	1989	41	21,473				-	-	-	-		21,473	
13	1990	40					-	-	-	-		21,473	
14	1991	39		344,033		118,037			344,033	-		365,506	
15	1992	38		29,448					29,448	-		394,954	
16	1993	37							-	-		394,954	
17	1994	36		120,135					120,135	-		515,089	
18	1995	35		9,686					9,686	-		524,776	
19	1996	34		136,897	22,551				136,897	22,551		639,121	
20	1997	33							-	-		639,121	
21	1998	32							-	-		639,121	
22	1999	31		1,231					1,231	(16,820)		623,532	
23	2000	30							-	-		623,532	
24	2001	29							-	-		623,532	
25	2002	28							-	-		623,532	
26	2003	27		12,656					12,656	-		636,188	
27	2004	26		2,079					2,079	-		638,267	
28	2005	25		16,471					16,471	10,041		664,779	
29	2006	24		142,622					142,622	-		807,402	
30	2007	23		180,218	95,486				180,218	95,486		892,134	
31	2008	22							-	-		892,134	
32	Total		\$ 21,473	\$ 995,477	\$ 118,037	\$ 118,037	\$ -	\$ -	\$ 995,477	\$ 118,037	\$ (6,779)	\$ -	\$ 11,180,620

Major Additions/Retirements

2007		\$ 95,486
1991	\$ 344,033	
Routine Activity	\$ 651,444	\$ 22,551
Historical Interim Activity	5.83%	0.20%
Forecast Interim Activity	5.83%	0.20%

35	2009	21						51,981	1,799			942,315
36	2010	20						54,904	1,901			995,319
37	2011	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						72,183	2,499			1,308,557
42	2016	14						76,244	2,639			1,382,161
43	2017	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	2022	8						105,877	3,665			1,919,355
49	2023	7						111,832	3,871			2,027,316
50	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	2029	1						155,297	5,376			2,815,257
56	2030	0								(2,815,257)		-
								\$ 2,987,561	\$ 186,998			\$ 47,293,520

Whole Life Depreciation Rate Calculation

Historical Additions	995,477
Forecast Additions	1,992,084
Total Additions	2,987,561
Gross Salvage Value	140,763
Less Cost of Removal	281,526
Net Salvage Value	(140,763)
Total to be Recovered	3,128,324

Forecast 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 Calculation

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)

Forecast Plant Balances 36,112,900

Summary by Plant
 Black Hills Power
 Neil Simpson I Facility

Account	Description	Direct Investment 2008\$	Depreciation Rate
310	Land	0	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

Remaining Life Depreciation Rate Calculation

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 Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1969
 Retirement Date 2023
 Service Life, Yrs 54

Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Nelt Simpson 1 Plant

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

Line	Vintage Year	Vintage Age	Initial Plant Balance											[M]	[N]
			Reported Per Books			Adjustments to Transaction		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance				
			Year	Year	Year	Year	Year	Year	Year		Year	Year	Year		
			Begin Balance	Additions	Retirements	Vintage Year Retirements	Additions	Retirements	Additions	Retirements		Adjustments	Per Books	Simulated	
1	1954	69				16,928									
2	1955	68													
3	1956	67													
4	1957	66													
5	1958	65				10,142									
6	1959	64													
7	1960	63													
8	1961	62													
9	1962	61													
10	1963	60													
11	1964	59													
12	1965	58													
13	1966	57				2,050									
14	1967	56													
15	1968	55													
16	1969	54													
17	1970	53				19,214	17,943	3,616	1,311,253	-		1,311,253		1,311,253	
18	1971	52					17,943	3,616	17,943	3,616		1,325,580		1,325,580	
19	1972	51				14,872	18,337	3,695	18,337	3,695		1,340,063		1,340,063	
20	1973	50					18,337	3,695	18,337	3,695		1,354,705		1,354,705	
21	1974	49				373	18,537	3,736	18,537	3,736		1,369,507		1,369,507	
22	1975	48					18,740	3,776	18,740	3,776		1,384,470		1,384,470	
23	1976	47					18,944	3,818	18,944	3,818		1,399,597		1,399,597	
24	1977	46					19,151	3,859	19,151	3,859		1,414,889		1,414,889	
25	1978	45					19,361	3,901	19,361	3,901		1,430,348		1,430,348	
26	1979	44					19,572	3,944	19,572	3,944		1,445,976		1,445,976	
27	1980	43					19,786	3,987	19,786	3,987		1,461,775		1,461,775	
28	1981	42					20,002	4,031	20,002	4,031		1,477,747		1,477,747	
29	1982	41					20,221	4,075	20,221	4,075		1,493,893		1,493,893	
30	1983	40				23,127	20,442	4,119	20,442	4,119		1,510,215		1,510,215	
31	1984	39					20,665	4,164	20,665	4,164		1,526,716		1,526,716	
32	1985	38					20,891	4,210	20,891	4,210		1,543,397		1,543,397	
33	1986	37					21,119	4,256	21,119	4,256		1,560,260		1,560,260	
34	1987	36					21,350	4,302	21,350	4,302		1,577,308		1,577,308	
35	1988	35					21,583	4,349	21,583	4,349		1,594,542		1,594,542	
36	1989	34					21,819	4,397	21,819	4,397		1,611,964		1,611,964	
37	1990	33	1,611,964	6,594		9,028	6,594	-		-		1,618,558		1,618,558	
38	1991	32					9,834	-	9,834	-		1,710,393		1,710,393	
39	1992	31		55,001	3,146		-	3,146	-	-		1,707,247		1,707,247	
40	1993	30		27,973	3,057		55,001	-	55,001	-		1,762,248		1,762,248	
41	1994	29		31,830	8,401		27,973	3,057	31,830	8,401		1,787,163		1,787,163	
42	1995	28		41,913	29,836		31,830	8,401	41,913	29,836		1,810,593		1,810,593	
43	1996	27		236,456			41,913	29,836	236,456			1,822,669		1,822,669	
44	1997	26										2,059,126		2,059,126	
45	1998	25		11,112					11,112			2,059,126		2,059,126	
46	1999	24		136,167					136,167			2,070,238		2,070,238	
47	2000	23								56,726	29,316	2,206,405		2,206,405	
48	2001	22			56,726							2,178,995		2,178,995	
49	2002	21										2,178,995		2,178,995	
50	2003	20										2,178,995		2,178,995	
51	2004	19										2,178,995		2,178,995	
52	2005	18										2,178,995		2,178,995	
53	2006	17			9,028					9,028	(174,827)	1,995,140		1,995,140	
54	2007	16									185	2,139,727		2,139,727	
55	2008	15		144,402					144,402			2,139,727		2,139,727	
56	Total		\$ 1,611,964	\$ 783,282	\$ 110,193	\$ 110,193	\$ 1,687,855	\$ 75,891	\$ 2,471,137	\$ 186,084	\$ (145,326)	\$ 29,134,208	\$ 39,562,331	\$ 69,096,539	
Major Additions/Retirements															
1996				\$ 236,456											
Routine Activity				\$ 546,826											
57	Historical Interim Activity			1.37%	0.28%										
58	Forecast Interim Activity			1.37%	0.28%										
59	2009	14							29,279	5,900				2,163,106	
60	2010	13							29,599	5,965				2,186,740	
61	2011	12							29,922	6,030				2,210,633	
62	2012	11							30,249	6,096				2,234,786	
63	2013	10							30,580	6,162				2,259,204	
64	2014	9							30,914	6,230				2,283,888	
65	2015	8							31,252	6,298				2,308,842	
66	2016	7							31,593	6,366				2,334,069	
67	2017	6							31,938	6,436				2,359,571	
68	2018	5							32,287	6,506				2,385,352	
69	2019	4							32,640	6,577				2,411,415	
70	2020	3							32,997	6,649				2,437,762	
71	2021	2							33,357	6,722				2,464,397	
72	2022	1							33,722	6,795				2,491,323	
73	2023	0									(2,491,323)				
									\$ 2,911,466	\$ 274,817				\$ 101,627,627	

Whole Life Depreciation Rate Calculation

Historical Additions	2,471,137
Forecast Additions	440,329
Total Additions	2,911,466
Gross Salvage Value	124,566
Less Cost of Removal	249,132
Net Salvage Value	(124,566)
Total to be Recovered	3,036,032
Forecast Plant Balances	101,627,627
Whole Life Accrual Rate	2.99%
Cost of Removal Accrual Rate	0.25%
Whole Life Accrual Rate (Excluding Cost of Removal)	3.23%
Depreciable Service Life, years	33.5

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	2,139,727
Forecast Additions	440,329
Gross Salvage Value	124,566
Less Cost of Removal	249,132
Net Salvage Value	(124,566)
Forecast Plant Balances	32,531,088

Black Hills Power
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Simpson 1 Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1969
 Retirement Date 2023
 Service Life, Yrs 54

2008

Historical and Forecast Plant Additions & Balances
 Account: 312 Boiler Plant Equipment

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction Year				Transfers and Adjustments	EOY Plant Balance			
			Transaction Year		Vintage Year	Year		Adjusted Transaction Year		Adjustments		Per Books	Simulated		
			BoR Balance	Additions		Retirements	Additions	Retirements	Additions					Retirements	
1	1954	69													
2	1955	68													
3	1956	67													
4	1957	66													
5	1958	65													
6	1959	64													
7	1960	63													
8	1961	62													
9	1962	61													
10	1963	60													
11	1964	59													
12	1965	58													
13	1966	57													
14	1967	56													
15	1968	55													
16	1969	54													
17	1970	53				361,655	49,227	12,069	6,188,859	-		6,188,859		6,188,859	
18	1971	52				39,933	49,523	12,142	49,523	12,142		6,226,018		6,226,018	
19	1972	51					49,820	12,214	49,820	12,214		6,263,399		6,263,399	
20	1973	50					50,119	12,288	50,119	12,288		6,301,005		6,301,005	
21	1974	49				10,678	50,420	12,362	50,420	12,362		6,338,837		6,338,837	
22	1975	48					50,723	12,436	50,723	12,436		6,376,805		6,376,805	
23	1976	47					51,028	12,510	51,028	12,510		6,415,183		6,415,183	
24	1977	46					51,334	12,586	51,334	12,586		6,453,700		6,453,700	
25	1978	45					51,642	12,661	51,642	12,661		6,492,448		6,492,448	
26	1979	44					51,952	12,737	51,952	12,737		6,531,429		6,531,429	
27	1980	43					52,264	12,814	52,264	12,814		6,570,644		6,570,644	
28	1981	42				50,000	52,578	12,891	52,578	12,891		6,610,095		6,610,095	
29	1982	41				3,000	52,894	12,968	52,894	12,968		6,649,782		6,649,782	
30	1983	40					53,211	13,046	53,211	13,046		6,689,708		6,689,708	
31	1984	39					53,531	13,124	53,531	13,124		6,729,873		6,729,873	
32	1985	38				8,207	53,852	13,203	53,852	13,203		6,770,280		6,770,280	
33	1986	37					54,175	13,282	54,175	13,282		6,810,929		6,810,929	
34	1987	36					54,501	13,362	54,501	13,362		6,851,822		6,851,822	
35	1988	35					54,828	13,442	54,828	13,442		6,892,961		6,892,961	
36	1989	34	6,934,347	289,654	10,000		55,157	13,522	55,157	13,522		6,934,347	7,214,000	7,214,000	7,214,000
37	1990	33		36,670		192,406							7,250,671	7,250,671	7,250,671
38	1991	32		11,235	40,260								7,221,646	7,221,646	7,221,646
39	1992	31		5,042,694	357,921	13,700			5,042,694	357,921	(4,701)	11,901,718	11,901,718	11,901,718	
40	1993	30		50,000	28,548				50,000	28,548		11,923,171	11,923,171	11,923,171	
41	1994	29										11,923,171	11,923,171	11,923,171	
42	1995	28		6,691	2,500					6,691	2,500	11,927,362	11,927,362	11,927,362	
43	1996	27		7,142						7,142		11,934,504	11,934,504	11,934,504	
44	1997	26										11,934,504	11,934,504	11,934,504	
45	1998	25		327,253	48,781				327,253	48,781		12,212,977	12,212,977	12,212,977	
46	1999	24		28,250	20,000				28,250	20,000		12,221,227	12,221,227	12,221,227	
47	2000	23		296,577	46,139	7,499			296,577	46,139		12,471,665	12,471,665	12,471,665	
48	2001	22		11,755					11,755			12,483,420	12,483,420	12,483,420	
49	2002	21		11,477	8,824				11,477	8,824		12,486,074	12,486,074	12,486,074	
50	2003	20		60,439	16,789				60,439	16,789		12,529,723	12,529,723	12,529,723	
51	2004	19		177,055	56,758				177,055	56,758		12,650,020	12,650,020	12,650,020	
52	2005	18		7,608					7,608			12,657,628	12,657,628	12,657,628	
53	2006	17		104,038	83,697				104,038	83,697	(282,577)	12,395,393	12,395,393	12,395,393	
54	2007	16		409,796	87,750				409,796	87,750	1,375	12,718,813	12,718,813	12,718,813	
55	2008	15										12,718,813	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 Additions/Retirements
 1992 \$ 5,042,694 \$ 357,921
 Routine Activity \$ 1,835,640 \$ 450,044

57 Historical Interim Activity 0.80% 0.20%
 58 Forecast Interim Activity 0.80% 0.20%

59	2009	14							2,201,168	24,803				14,895,178	
60	2010	13							118,479	29,048				14,984,609	
61	2011	12							119,190	29,222				15,074,578	
62	2012	11							119,906	29,397				15,165,086	
63	2013	10							120,626	29,574				15,256,139	
64	2014	9							121,350	29,751				15,347,737	
65	2015	8							122,079	29,930				15,439,886	
66	2016	7							122,812	30,110				15,532,588	
67	2017	6							2,682,195	30,291				18,184,493	
68	2018	5							144,643	35,462				18,299,673	
69	2019	4							145,511	35,675				18,403,510	
70	2020	3							146,385	35,889				18,514,006	
71	2021	2							147,264	36,105				18,625,165	
72	2022	1							148,148	36,322				18,736,991	
73	2023	0									(18,736,991)				
											\$ 20,514,574	\$ 1,491,680		\$ 594,328,352	

Whole Life Depreciation Rate Calculation
 Historical Additions 14,054,817
 Forecast Additions 6,459,757
 Total Additions 20,514,574
 Gross Salvage Value 936,850
 Less Cost of Removal 1,873,699
 Net Salvage Value (936,850)
 Total to be Recovered 21,451,424
 Forecast Plant Balances 594,328,352
 Whole Life Accrual Rate 3.61%
 Cost of Removal Accrual Rate 0.32%
 Whole Life Accrual Rate (Excluding Cost of Removal) 3.92%
 Depreciable Service Life, years 27.7

Remaining Life Depreciation Rate Calculation
 Account Balance 12/31/08 12,718,813
 Forecast Additions 6,459,757
 Gross Salvage Value 936,850
 Less Cost of Removal 1,873,699
 Net Salvage Value (936,850)
 Forecast Plant Balances 232,453,639

Black Hills Power

Gross Salvage	5%
Cost of Removal	10%
Unit Property Depreciation Rate Analysis	Net Salvage -5%
Unit Property: Steam Production, Neil Simpson 1 Plant	Install Date 1969
	Retirement Date 2023
	Service Life, Yrs 54

2008

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

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction				Adjusted Transaction Year		Transfers and Adjustments	BOY Plant Balance			
			Transaction Year			Year		Year		Adjustments	Per Books		Simulated			
			Book Balance	Additions	Retirements	Retirements	Additions	Retirements	Additions					Retirements		
1	1954	69														
2	1955	68														
3	1956	67														
4	1957	66														
5	1958	65														
6	1959	64														
7	1960	63														
8	1961	62														
9	1962	61														
10	1963	60														
11	1964	59														
12	1965	58														
13	1966	57														
14	1967	56														
15	1968	55														
16	1969	54														
17	1970	53				16,262	11,272	861	11,272	861			2,516,254		2,516,254	
18	1971	52				3,000	11,319	864	11,319	864			2,537,120		2,537,120	
19	1972	51					11,366	868	11,366	868			2,547,618		2,547,618	
20	1973	50					11,413	871	11,413	871			2,558,159		2,558,159	
21	1974	49					11,460	875	11,460	875			2,568,744		2,568,744	
22	1975	48					11,507	879	11,507	879			2,579,373		2,579,373	
23	1976	47					11,555	882	11,555	882			2,590,046		2,590,046	
24	1977	46					11,603	886	11,603	886			2,600,762		2,600,762	
25	1978	45					11,651	889	11,651	889			2,611,524		2,611,524	
26	1979	44					11,699	893	11,699	893			2,622,329		2,622,329	
27	1980	43					11,747	897	11,747	897			2,633,180		2,633,180	
28	1981	42					11,796	901	11,796	901			2,644,075		2,644,075	
29	1982	41					11,845	904	11,845	904			2,655,015		2,655,015	
30	1983	40					11,894	908	11,894	908			2,666,001		2,666,001	
31	1984	39					11,943	912	11,943	912			2,677,032		2,677,032	
32	1985	38					11,992	916	11,992	916			2,688,109		2,688,109	
33	1986	37					12,042	919	12,042	919			2,699,232		2,699,232	
34	1987	36					12,092	923	12,092	923			2,710,400		2,710,400	
35	1988	35					159,525	12,142	12,142	927			2,721,615		2,721,615	
36	1989	34	2,721,615	19,946									19,946		2,741,561	2,741,561
37	1990	33													2,741,561	2,741,561
38	1991	32		86,929	14,289					86,929	14,289			2,814,201	2,814,201	2,814,201
39	1992	31												2,814,201	2,814,201	2,814,201
40	1993	30		21,734	3,000					21,734	3,000			2,832,935	2,832,935	2,832,935
41	1994	29												2,832,935	2,832,935	2,832,935
42	1995	28												2,832,935	2,832,935	2,832,935
43	1996	27												2,832,935	2,832,935	2,832,935
44	1997	26												2,832,935	2,832,935	2,832,935
45	1998	25												2,832,935	2,832,935	2,832,935
46	1999	24												2,832,935	2,832,935	2,832,935
47	2000	23												2,832,935	2,832,935	2,832,935
48	2001	22		4,100						4,100				2,837,035	2,837,035	2,837,035
49	2002	21		81,398	159,525					81,398	159,525			2,758,908	2,758,908	2,758,908
50	2003	20												2,758,908	2,758,908	2,758,908
51	2004	19												2,795,124	2,795,124	2,795,124
52	2005	18		38,189	1,973					38,189	1,973			2,795,124	2,795,124	2,795,124
53	2006	17										71,333		2,866,457	2,866,457	2,866,457
54	2007	16												2,866,457	2,866,457	2,866,457
55	2008	15												2,866,457	2,866,457	2,866,457
56	Total		\$ 2,721,615	\$ 252,295	\$ 178,787	\$ 178,787	\$ 2,738,590	\$ 16,975	\$ 2,990,885	\$ 195,761	\$ 71,333	\$ 52,353,254	\$ 56,319,477	\$ 108,672,731		

Major Additions/Retirements

2002		\$ 159,525
Routine Activity	\$ 252,295	\$ 19,262
Historical Interim Activity	0.45%	0.03%
Forecast Interim Activity	0.45%	0.03%

59	2009	14								12,841	980				2,878,317	
60	2010	13								12,894	984				2,890,227	
61	2011	12								12,947	988				2,902,180	
62	2012	11								13,001	993				2,914,194	
63	2013	10								13,055	997				2,926,252	
64	2014	9								13,109	1,001				2,938,360	
65	2015	8								13,163	1,005				2,950,518	
66	2016	7								13,217	1,009				2,962,727	
67	2017	6								13,272	1,013				2,974,986	
68	2018	5								13,327	1,017				2,987,295	
69	2019	4								13,382	1,022				2,999,656	
70	2020	3								13,438	1,026				3,012,067	
71	2021	2								13,495	1,030				3,024,531	
72	2022	1								13,549	1,034				3,037,045	
73	2023	0										(3,037,045)			-	
			\$ 3,175,574	\$ 209,862											\$ 150,071,092	

Whole Life Depreciation Rate Calculation

Historical Additions	2,990,885
Forecast Additions	184,689
Total Additions	3,175,574
Gross Salvage Value	151,852
Less Cost of Removal	303,705
Net Salvage Value	(151,852)
Total to be Recovered	3,327,426
Forecast Plant Balances	150,071,092
Whole Life Accrual Rate	2.22%
Cost of Removal Accrual Rate	0.20%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.42%
Depreciable Service Life, years	41.3

Remaining Life Depreciation Rate Calculation

Account Balance - 12/31/08	2,866,457
Forecast Additions	184,689
Gross Salvage Value	151,852
Less Cost of Removal	303,705
Net Salvage Value	(151,852)
Forecast Plant Balances	41,398,361

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1969
 Retirement Date 2023
 Service Life, Yrs 54

2008

Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Stimpson 1 Plant

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

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction				Transfers and Adjustments	BOY Plant Balance				
			Transaction Year			Vintage Year Retirements	Year		Adjusted Transaction Year			Adjustments	Per Books	Simulated		
			Begin Balance	Additions	Retirements		Additions	Retirements	Additions	Retirements						
1	1954	69				710										
2	1955	68														
3	1956	67														
4	1957	66														
5	1958	65														
6	1959	64														
7	1960	63														
8	1961	62														
9	1962	61														
10	1963	60														
11	1964	59														
12	1965	58														
13	1966	57				858										
14	1967	56														
15	1968	55														
16	1969	54								533,278			533,278			533,278
17	1970	53				39,960	5,402	2,451	5,402	2,451			536,229			536,229
18	1971	52					5,431	2,465	5,431	2,465			539,196			539,196
19	1972	51					5,462	2,478	5,462	2,478			542,179			542,179
20	1973	50					5,492	2,492	5,492	2,492			545,179			545,179
21	1974	49					5,522	2,506	5,522	2,506			548,195			548,195
22	1975	48					5,553	2,520	5,553	2,520			551,228			551,228
23	1976	47					5,583	2,534	5,583	2,534			554,278			554,278
24	1977	46					5,614	2,548	5,614	2,548			557,345			557,345
25	1978	45					5,645	2,562	5,645	2,562			560,428			560,428
26	1979	44					5,677	2,576	5,677	2,576			563,529			563,529
27	1980	43					5,708	2,590	5,708	2,590			566,647			566,647
28	1981	42					5,740	2,604	5,740	2,604			569,782			569,782
29	1982	41					5,771	2,619	5,771	2,619			572,935			572,935
30	1983	40				16,950	5,803	2,633	5,803	2,633			576,105			576,105
31	1984	39					5,835	2,648	5,835	2,648			579,292			579,292
32	1985	38					5,868	2,663	5,868	2,663			582,497			582,497
33	1986	37					5,900	2,677	5,900	2,677			585,720			585,720
34	1987	36					5,933	2,692	5,933	2,692			588,961			588,961
35	1988	35					5,966	2,707	5,966	2,707			592,219			592,219
36	1989	34	592,219	9,579				9,579						601,798		601,798
37	1990	33												601,798		601,798
38	1991	32		5,696	8,916		5,696	8,916		8,916				598,578		598,578
39	1992	31		1,892			1,892				(9,579)			590,891		590,891
40	1993	30												590,891		590,891
41	1994	29												590,891		590,891
42	1995	28												590,891		590,891
43	1996	27												590,891		590,891
44	1997	26												590,891		590,891
45	1998	25		72,341	31,044									632,188		632,188
46	1999	24												632,188		632,188
47	2000	23												632,188		632,188
48	2001	22												632,188		632,188
49	2002	21		39,365	18,518									653,035		653,035
50	2003	20												653,035		653,035
51	2004	19												653,035		653,035
52	2005	18												653,035		653,035
53	2006	17												653,035		653,035
54	2007	16												744,885		744,885
55	2008	15												744,885		744,885
56	Total		\$ 592,219	\$ 128,873	\$ 58,478	\$ 58,478	\$ 641,183	\$ 48,964	\$ 770,056	\$ 107,442	\$ 82,270	\$ 11,245,221	\$ 12,723,066	\$ 23,968,287		

Major Additions/Retirements

	Routine Activity	\$ 128,873	
57	Historical Interim Activity	1.01%	0.465%
58	Forecast Interim Activity	1.01%	0.465%

59	2009	14	7,545	3,424		749,006
60	2010	13	7,387	3,443		753,150
61	2011	12	7,629	3,462		757,317
62	2012	11	7,671	3,481		761,507
63	2013	10	7,713	3,500		765,720
64	2014	9	7,756	3,519		769,957
65	2015	8	7,799	3,539		774,217
66	2016	7	7,842	3,558		778,501
67	2017	6	7,885	3,578		782,808
68	2018	5	7,929	3,598		787,139
69	2019	4	7,973	3,618		791,494
70	2020	3	8,017	3,638		795,873
71	2021	2	8,061	3,658		800,277
72	2022	1	8,106	3,678		804,705
73	2023	0			(804,705)	
			\$ 879,570	\$ 157,135		\$ 34,839,958

Whole Life Depreciation Rate Calculation

Historical Additions	770,056
Forecast Additions	109,514
Total Additions	879,570
Gross Salvage Value	40,235
Less Cost of Removal	80,470
Net Salvage Value	(40,235)
Total to be Recovered	919,805
Forecast Plant Balances	34,839,958
Whole Life Accrual Rate	2.64%
Cost of Removal Accrual Rate	0.23%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.87%
Depreciable Service Life, years	34.8

Remaining Life Depreciation Rate Calculation

Account Balance - 12/31/08	744,885
Forecast Additions	109,514
Gross Salvage Value	40,235
Less Cost of Removal	80,470
Net Salvage Value	(40,235)
Forecast Plant Balances	10,871,672

Black Hills Power

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1969
 Retirement Date 2023
 Service Life, Yrs 54

2008

Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Simpson 1 Plant

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

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction Year		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance			
			Transaction Year			Year		Year			Adjustments	Per Books	Simulated	
			Beg. Balance	Additions	Retirements	Additions	Retirements	Additions	Retirements					
1	1954	69												
2	1955	68												
3	1956	67												
4	1957	66												
5	1958	65												
6	1959	64												
7	1960	63												
8	1961	62												
9	1962	61												
10	1963	60												
11	1964	59												
12	1965	58												
13	1966	57												
14	1967	56												
15	1968	55												
16	1969	54						300,112			300,112		300,112	
17	1970	53				64,347	3,108				303,220		303,220	
18	1971	52					3,141				306,361		306,361	
19	1972	51					3,173				309,534		309,534	
20	1973	50					3,206				312,740		312,740	
21	1974	49					3,239				315,979		315,979	
22	1975	48					3,273				319,252		319,252	
23	1976	47					3,307				322,559		322,559	
24	1977	46					3,341				325,900		325,900	
25	1978	45					3,376				329,275		329,275	
26	1979	44					3,411				332,686		332,686	
27	1980	43					3,446				336,132		336,132	
28	1981	42					3,482				339,613		339,613	
29	1982	41					3,518				343,131		343,131	
30	1983	40					3,554				346,685		346,685	
31	1984	39					3,591				350,276		350,276	
32	1985	38					3,628				353,904		353,904	
33	1986	37					3,666				357,569		357,569	
34	1987	36					3,704				361,273		361,273	
35	1988	35					3,742				365,015		365,015	
36	1989	34	365,015	17,009			17,009				382,024	382,024	382,024	
37	1990	33		6,448	64,347		6,448		64,347		324,125	324,125	324,125	
38	1991	32		4,170			4,170				328,295	328,295	328,295	
39	1992	31		12,917			12,917				341,211	341,211	341,211	
40	1993	30									344,211	344,211	344,211	
41	1994	29			25,487		25,487				366,699	366,699	366,699	
42	1995	28									366,699	366,699	366,699	
43	1996	27		5,371			5,371				372,070	372,070	372,070	
44	1997	26		399			399				372,469	372,469	372,469	
45	1998	25		2,297			2,297				374,765	374,765	374,765	
46	1999	24									374,765	374,765	374,765	
47	2000	23									374,765	374,765	374,765	
48	2001	22									374,765	374,765	374,765	
49	2002	21									374,765	374,765	374,765	
50	2003	20		2,729			2,729				377,494	377,494	377,494	
51	2004	19		763			763				378,257	378,257	378,257	
52	2005	18									378,257	378,257	378,257	
53	2006	17								51,210	429,468	429,468	429,468	
54	2007	16									429,468	429,468	429,468	
55	2008	15									429,468	429,468	429,468	
56	Total		\$ 365,015	\$ 77,590	\$ 64,347	\$ 64,347	\$ 365,015	\$ -	\$ 442,604	\$ 64,347	\$ 51,210	\$ 6,631,213	\$ 7,491,039	\$ 14,122,252

Major Additions/Retirements

1990

Routine Activity

Historical Interim Activity

Forecast Interim Activity

57

58

59

60

61

62

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64

65

66

67

68

69

70

71

72

73

2009 14

2010 13

2011 12

2012 11

2013 10

2014 9

2015 8

2016 7

2017 6

2018 5

2019 4

2020 3

2021 2

2022 1

2023 0

\$ 509,252 \$ 64,347 (496,115) \$ 20,623,499

Whole Life Depreciation Rate Calculation

Historical Additions 442,604

Forecast Additions 66,647

Total Additions 509,252

Gross Salvage Value 24,806

Less Cost of Removal 49,612

Net Salvage Value (24,806)

Total to be Recovered 534,058

Forecast Plant Balances 20,623,499

Whole Life Accrual Rate 2.59%

Cost of Removal Accrual Rate 0.24%

Whole Life Accrual Rate (Excluding Cost of Removal) 2.83%

Depreciable Service Life, years 38.6

Remaining Life Depreciation Rate Calculation

Account Balance - 12/31/08 429,468

Forecast Additions 66,647

Gross Salvage Value 24,806

Less Cost of Removal 49,612

Net Salvage Value (24,806)

Forecast Plant Balances 6,501,247

Summary by Plant
 Black Hills Power
 Neil Simpson 2 Facility

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

Remaining Life Depreciation Rate Calculation

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%

Black Hills Power Company
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Simpson 2 Plant
 Historical and Forecast Plant Additions & Balances
 Account: 311 Structures & Improvements

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1998
 Retirement Date 2045
 Service Life, Yrs 47
 Initial Plant Balance 0

2008

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction Year		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance			
			Transaction Year		Vintage Year Retirements	Year		Year			Adjustments	Per Books	Simulated	
			Beg. Balance	Additions		Retirements	Additions	Retirements	Additions					Retirements
41	1998	47		11,540,435		17,822		11,540,435	-		11,540,435	11,540,435		
42	1999	46		322,184				322,184	-	624,511	12,487,130	12,487,130		
43	2000	45		87,340				87,340	-		12,574,470	12,574,470		
44	2001	44						-	-		12,574,470	12,574,470		
45	2002	43		5,484				5,484	-		12,579,954	12,579,954		
46	2003	42		22,835				22,835	-		12,602,789	12,602,789		
47	2004	41		338,036				338,036	-		12,940,825	12,940,825		
48	2005	40						-	-		12,940,825	12,940,825		
49	2006	39		84,446				84,446	-	165,739	13,191,009	13,191,009		
50	2007	38		76,060	17,822			76,060	17,822	(376)	13,248,871	13,248,871		
51	2008	37						-	-		13,248,871	13,248,871		
52	Total		\$ -	\$ 12,476,819	\$ 17,822	\$ 17,822	\$ -	\$ -	\$ 12,476,819	\$ 17,822	\$ 789,874	\$ -	\$ 139,929,647	\$ 139,929,647

Major Additions/Retirements
 1998

\$ 11,540,435

Routine Activity

\$ 936,383

53 Historical Interim Activity

0.67% 0.01%

54 Forecast Interim Activity

0.67% 0.01%

55	2009	36						88,659	1,687			13,335,842	
56	2010	35						89,241	1,699			13,423,385	
57	2011	34						89,827	1,710			13,511,502	
58	2012	33						90,416	1,721			13,600,197	
59	2013	32						91,010	1,732			13,689,475	
60	2014	31						91,607	1,744			13,779,339	
61	2015	30						92,209	1,755			13,869,793	
62	2016	29						92,814	1,767			13,960,840	
63	2017	28						93,423	1,778			14,052,486	
64	2018	27						94,037	1,790			14,144,732	
65	2019	26						94,654	1,802			14,237,585	
66	2020	25						95,275	1,813			14,331,047	
67	2021	24						95,901	1,825			14,425,122	
68	2022	23						96,530	1,837			14,519,815	
69	2023	22						97,164	1,849			14,615,130	
70	2024	21						97,802	1,861			14,711,070	
71	2025	20						98,444	1,874			14,807,640	
72	2026	19						99,090	1,886			14,904,844	
73	2027	18						99,740	1,898			15,002,686	
74	2028	17						100,395	1,911			15,101,171	
75	2029	16						101,054	1,923			15,200,302	
76	2030	15						101,718	1,936			15,300,083	
77	2031	14						102,385	1,949			15,400,520	
78	2032	13						103,057	1,962			15,501,616	
79	2033	12						103,734	1,974			15,603,375	
80	2034	11						104,415	1,987			15,705,803	
81	2035	10						105,100	2,000			15,808,903	
82	2036	9						105,790	2,014			15,912,680	
83	2037	8						106,485	2,027			16,017,137	
84	2038	7						107,184	2,040			16,122,281	
85	2039	6						107,887	2,053			16,228,115	
86	2040	5						108,596	2,067			16,334,644	
87	2041	4						109,308	2,080			16,441,872	
88	2042	3						110,026	2,094			16,549,803	
89	2043	2						110,748	2,108			16,658,444	
90	2044	1						111,475	2,122			16,767,797	
91	2045	0								(16,767,797)		-	
									\$ 16,064,021	\$ 86,098			\$ 679,506,724

Whole Life Depreciation Rate Calculation

Historical Additions	12,476,819
Forecast Additions	3,587,202
Total Additions	16,064,021
Gross Salvage Value	838,390
Less Cost of Removal	1,676,780
Net Salvage Value	(838,390)
Total to be Recovered	16,902,411

Forecast Plant Balances 679,506,724

Whole Life Accrual Rate 2.49%

Cost of Removal Accrual Rate 0.25%

Whole Life Accrual Rate (Excluding Cost of Removal) 2.73%

Depreciable Service Life, years 40.2

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	13,248,871
Forecast Additions	3,587,202
Gross Salvage Value	838,390
Less Cost of Removal	1,676,780
Net Salvage Value	(838,390)
Forecast Plant Balances	539,577,076

Black Hills Power Company
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Simpson 2 Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1998
 Retirement Date 2045
 Service Life, Yrs. 47

2008

Historical and Forecast Plant Additions & Balances
 Account: 312 Boiler Plant Equipment Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction				EOY Plant Balance			
			Transaction Year		Vintage Year	Year		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance			
			Begin Balance	Additions		Retirements	Additions	Retirements	Additions		Retirements	Per Books	Simulated	
13	1970	75				6,013	-	-	-	-	-	-	-	-
14	1971	74					-	-	-	-	-	-	-	-
15	1972	73					-	-	-	-	-	-	-	-
16	1973	72					-	-	-	-	-	-	-	-
17	1974	71					-	-	-	-	-	-	-	-
18	1975	70					-	-	-	-	-	-	-	-
19	1976	69					-	-	-	-	-	-	-	-
20	1977	68					-	-	-	-	-	-	-	-
21	1978	67					-	-	-	-	-	-	-	-
22	1979	66					-	-	-	-	-	-	-	-
23	1980	65					-	-	-	-	-	-	-	-
24	1981	64					-	-	-	-	-	-	-	-
25	1982	63					-	-	-	-	-	-	-	-
26	1983	62					-	-	-	-	-	-	-	-
27	1984	61					-	-	-	-	-	-	-	-
28	1985	60					-	-	-	-	-	-	-	-
29	1986	59					-	-	-	-	-	-	-	-
30	1987	58					-	-	-	-	-	-	-	-
31	1988	57					6,533	-	-	-	-	-	-	-
32	1989	56						-	-	-	-	-	-	-
33	1990	55						-	-	-	-	-	-	-
34	1991	54						-	-	-	-	-	-	-
35	1992	53						-	-	-	-	-	-	-
36	1993	52						-	-	-	-	-	-	-
37	1994	51						-	-	-	-	-	-	-
38	1995	50						-	-	-	-	-	-	-
39	1996	49						-	-	-	-	-	-	-
40	1997	48		28,341					28,341	-			28,341	28,341
41	1998	47		74,009,175	6,533	1,658,776			74,009,175	6,533			74,030,983	74,030,983
42	1999	46		869,214	30,316				869,214	30,316	(467,515)		74,402,366	74,402,366
43	2000	45		587,861	31,013				587,861	31,013			74,959,214	74,959,214
44	2001	44		105,595	112,000				105,595	112,000			74,952,809	74,952,809
45	2002	43		135,029	3,344				135,029	3,344			75,084,494	75,084,494
46	2003	42		77,435					77,435				75,161,928	75,161,928
47	2004	41		380,167	59,060				380,167	59,060			75,492,095	75,492,095
48	2005	40		16,469	8,484				16,469	8,484			75,500,080	75,500,080
49	2006	39									183,186		75,683,266	75,683,266
50	2007	38		1,293,706	1,429,632				1,293,706	1,429,632	3,997		75,551,337	75,551,337
51	2008	37											75,551,337	75,551,337
52	Total			\$ 77,502,991	\$ 1,671,322	\$ 1,671,322	\$ -	\$ -	\$ 77,502,991	\$ 1,671,322	\$ (280,332)	\$ -	\$ 826,398,249	\$ 826,398,249

Major Additions/Retirements

1998	\$ 74,037,516	
2007	\$ 1,293,706	\$ 1,429,632
Routine Activity	\$ 2,171,769	\$ 241,690
Historical Interim Activity	0.26%	0.03%
Forecast Interim Activity	0.26%	0.03%

55	2009	36							198,548	22,096			75,727,789	75,727,789
56	2010	35							199,012	22,148			75,904,654	75,904,654
57	2011	34							199,477	22,199			76,081,931	76,081,931
58	2012	33							1,775,881	22,251			77,835,561	77,835,561
59	2013	32							204,551	22,764			78,017,348	78,017,348
60	2014	31							205,029	22,817			78,199,500	78,199,500
61	2015	30							205,508	22,870			78,382,198	78,382,198
62	2016	29							205,988	22,924			78,565,262	78,565,262
63	2017	28							206,469	22,977			78,748,753	78,748,753
64	2018	27							206,951	23,031			78,932,673	78,932,673
65	2019	26							2,080,730	23,085			80,990,318	80,990,318
66	2020	25							212,842	23,687			81,179,473	81,179,473
67	2021	24							213,339	23,742			81,369,071	81,369,071
68	2022	23							213,837	23,797			81,559,111	81,559,111
69	2023	22							214,337	23,853			81,749,594	81,749,594
70	2024	21							214,837	23,909			81,940,523	81,940,523
71	2025	20							215,339	23,965			82,131,898	82,131,898
72	2026	19							2,442,601	24,020			84,550,478	84,550,478
73	2027	18							222,198	24,728			84,747,948	84,747,948
74	2028	17							222,717	24,786			84,945,880	84,945,880
75	2029	16							223,237	24,843			85,144,274	85,144,274
76	2030	15							223,759	24,901			85,343,131	85,343,131
77	2031	14							224,281	24,960			85,542,452	85,542,452
78	2032	13							224,805	25,018			85,742,239	85,742,239
79	2033	12							2,872,247	25,076			88,589,410	88,589,410
80	2034	11							235,212	25,909			88,790,313	88,790,313
81	2035	10							233,356	25,970			89,003,700	89,003,700
82	2036	9							233,901	26,030			89,211,570	89,211,570
83	2037	8							234,447	26,091			89,419,927	89,419,927
84	2038	7							234,995	26,152			89,628,770	89,628,770
85	2039	6							235,544	26,213			89,838,101	89,838,101
86	2040	5							3,382,446	26,274			93,194,272	93,194,272
87	2041	4							244,914	27,236			93,411,930	93,411,930
88	2042	3							245,486	27,299			93,630,097	93,630,097
89	2043	2							246,059	27,363			93,848,773	93,848,773
90	2044	1							246,634	27,427			94,067,559	94,067,559
91	2045	0									(94,067,559)		-	-
										\$ 90,902,106	\$ 2,553,814		\$ 3,862,371,189	\$ 3,862,371,189

Whole Life Depreciation Rate Calculation

Historical Additions	77,502,991
Forecast Additions	19,399,115
Total Additions	96,902,106
Gross Salvage Value	4,703,398
Less Cost of Removal	9,406,796
Net Salvage Value	(4,703,398)
Total to be Recovered	101,605,504

Forecast Plant Balances 3,862,371,189

Whole Life Accrual Rate	2.63%
Cost of Removal Accrual Rate	0.24%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.87%

Depreciable Service Life, years 38.0

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	75,551,337
Forecast Additions	19,399,115
Gross Salvage Value	4,703,398
Less Cost of Removal	9,406,796
Net Salvage Value	(4,703,398)

Forecast Plant Balances 3,035,972,939

Black Hills Power Company
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Simpson 2 Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1998
 Retirement Date 2045
 Service Life, Yrs 47

2008

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

Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction Year				Transfers and Adjustments	EOY Plant Balance		
			Transaction Year			Vintage Year Retirements	Year		Adjusted Transaction Year			Per Books	Simulated	
			Beg Balance	Additions	Retirements		Additions	Retirements	Additions	Retirements				
41	1998	47		27,051,645		192,000			27,051,645	-			27,051,645	27,051,645
42	1999	46									(77,928)		26,973,718	26,973,718
43	2000	45		37,085					37,085				27,010,803	27,010,803
44	2001	44		3,265					3,265				27,014,068	27,014,068
45	2002	43		1,713,883					1,713,883				28,727,951	28,727,951
46	2003	42		121,566					121,566				28,849,517	28,849,517
47	2004	41		76,317					76,317				28,925,834	28,925,834
48	2005	40											28,925,834	28,925,834
49	2006	39		285,377	192,000				285,377	192,000	7,967		29,027,178	29,027,178
50	2007	38		75,749					75,749				29,102,926	29,102,926
51	2008	37											29,102,926	29,102,926
52	Total		\$ -	\$ 29,364,887	\$ 192,000	\$ 192,000	\$ -	\$ -	\$ 29,364,887	\$ 192,000	\$ (69,961)	\$ -	\$ 310,712,400	\$ 310,712,400

Major Additions/Retirements

1998	\$ 27,051,645	
2002	\$ 1,713,883	
Routine Activity	\$ 599,359	\$ 192,000
53 Historical Interim Activity	0.19%	0.06%
54 Forecast Interim Activity	0.19%	0.00%

55	2009	36							56,139	-			29,159,066	29,159,066
56	2010	35							56,247	-			29,215,313	29,215,313
57	2011	34							56,356	-			29,271,669	29,271,669
58	2012	33							56,465	-			29,328,133	29,328,133
59	2013	32							56,574	-			29,384,707	29,384,707
60	2014	31							56,683	-			29,441,390	29,441,390
61	2015	30							56,792	-			29,498,181	29,498,181
62	2016	29							56,902	-			29,555,083	29,555,083
63	2017	28							57,011	-			29,612,094	29,612,094
64	2018	27							57,121	-			29,669,216	29,669,216
65	2019	26							57,231	-			29,726,447	29,726,447
66	2020	25							57,342	-			29,783,789	29,783,789
67	2021	24							57,452	-			29,841,241	29,841,241
68	2022	23							57,563	-			29,898,805	29,898,805
69	2023	22							57,674	-			29,956,479	29,956,479
70	2024	21							57,786	-			30,014,264	30,014,264
71	2025	20							57,897	-			30,072,162	30,072,162
72	2026	19							58,009	-			30,130,170	30,130,170
73	2027	18							58,121	-			30,188,291	30,188,291
74	2028	17							58,233	-			30,246,524	30,246,524
75	2029	16							58,345	-			30,304,869	30,304,869
76	2030	15							58,458	-			30,363,326	30,363,326
77	2031	14							58,570	-			30,421,897	30,421,897
78	2032	13							58,683	-			30,480,580	30,480,580
79	2033	12							58,797	-			30,539,377	30,539,377
80	2034	11							58,910	-			30,598,286	30,598,286
81	2035	10							59,024	-			30,657,310	30,657,310
82	2036	9							59,137	-			30,716,448	30,716,448
83	2037	8							59,252	-			30,775,699	30,775,699
84	2038	7							59,366	-			30,835,065	30,835,065
85	2039	6							59,480	-			30,894,545	30,894,545
86	2040	5							59,595	-			30,954,140	30,954,140
87	2041	4							59,710	-			31,013,850	31,013,850
88	2042	3							59,825	-			31,073,676	31,073,676
89	2043	2							59,941	-			31,133,616	31,133,616
90	2044	1							60,056	-			31,193,672	31,193,672
91	2045	0									(31,193,672)			
									\$ 31,455,633	\$ 192,000				\$ 1,396,661,779

Whole Life Depreciation Rate Calculation

Historical Additions	29,364,887
Forecast Additions	2,090,746
Total Additions	31,455,633
Gross Salvage Value	1,559,684
Less Cost of Removal	3,119,367
Net Salvage Value	(1,559,684)
Total to be Recovered	33,015,317

Forecast Plant Balances 1,396,661,779

Whole Life Accrual Rate	2.36%
Cost of Removal Accrual Rate	0.22%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.59%

Depreciable Service Life, years 42.3

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	29,102,926
Forecast Additions	2,090,746
Gross Salvage Value	1,559,684
Less Cost of Removal	3,119,367
Net Salvage Value	(1,559,684)

Forecast Plant Balances 1,085,949,379

Black Hills Power Company
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Simpson 2 Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1998
 Retirement Date 2045
 Service Life, Yrs 47

2008

Historical and Forecast Plant Additions & Balances
 Account: 315 Accessory Electric Equipment Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books				Adjustments to Transaction Year				Transfers and Adjustments	EOY Plant Balance			
			Transaction Year			Vintage Year Retirements	Transaction Year		Adjusted Transaction Year			Adjustments	Per Books	Simulated	
			Beg Balance	Additions	Retirements		Additions	Retirements	Additions	Retirements					
41	1998	47		6,135,296									6,135,296	6,135,296	
42	1999	46		11,151									6,146,447	6,146,447	
43	2000	45		-									6,146,447	6,146,447	
44	2001	44		-									6,146,447	6,146,447	
45	2002	43		-									6,146,447	6,146,447	
46	2003	42		-									6,146,447	6,146,447	
47	2004	41		139,183									6,285,630	6,285,630	
48	2005	40		-									6,285,630	6,285,630	
49	2006	39		-						(13,251)			6,272,379	6,272,379	
50	2007	38		-						-			6,272,379	6,272,379	
51	2008	37		-						-			6,272,379	6,272,379	
52	Total		\$ -	\$ 6,285,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,285,630	\$ -	\$ (13,251)	\$ -	\$ 68,255,930	\$ 68,255,930

Major Additions/Retirements
 1998

\$ 6,135,296

Routine Activity

\$ 150,334

53 Historical Interim Activity 0.22% 0.00%
 54 Forecast Interim Activity 0.22% 0.00%

55	2009	36								13,815	-			6,286,194
56	2010	35								13,845	-			6,300,039
57	2011	34								13,876	-			6,313,915
58	2012	33								13,906	-			6,327,822
59	2013	32								13,937	-			6,341,759
60	2014	31								13,968	-			6,355,727
61	2015	30								13,999	-			6,369,725
62	2016	29								14,029	-			6,383,755
63	2017	28								14,060	-			6,397,815
64	2018	27								14,091	-			6,411,906
65	2019	26								14,122	-			6,426,028
66	2020	25								14,153	-			6,440,182
67	2021	24								14,185	-			6,454,366
68	2022	23								14,216	-			6,468,582
69	2023	22								14,247	-			6,482,829
70	2024	21								14,278	-			6,497,108
71	2025	20								14,310	-			6,511,418
72	2026	19								14,341	-			6,525,759
73	2027	18								14,373	-			6,540,132
74	2028	17								14,405	-			6,554,537
75	2029	16								14,436	-			6,568,973
76	2030	15								14,468	-			6,583,441
77	2031	14								14,500	-			6,597,941
78	2032	13								14,532	-			6,612,473
79	2033	12								14,564	-			6,627,037
80	2034	11								14,596	-			6,641,634
81	2035	10								14,628	-			6,656,262
82	2036	9								14,660	-			6,670,922
83	2037	8								14,693	-			6,685,615
84	2038	7								14,725	-			6,700,340
85	2039	6								14,758	-			6,715,098
86	2040	5								14,790	-			6,729,888
87	2041	4								14,823	-			6,744,710
88	2042	3								14,855	-			6,759,566
89	2043	2								14,888	-			6,774,454
90	2044	1								14,921	-			6,789,374
91	2045	0										(6,789,374)		-
			\$ -	\$ 6,802,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,802,626	\$ -	\$ -	\$ -	\$ 303,503,255

Whole Life Depreciation Rate Calculation

Historical Additions	6,285,630
Forecast Additions	516,995
Total Additions	6,802,626
Gross Salvage Value	339,469
Less Cost of Removal	678,937
Net Salvage Value	(339,469)
Total to be Recovered	7,142,094

Forecast Plant Balances 303,503,255

Whole Life Accrual Rate	2.35%
Cost of Removal Accrual Rate	0.22%
Whole Life Accrual Rate (Excluding Cost of Removal)	2.58%

Depreciable Service Life, years 42.5

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	6,272,379
Forecast Additions	516,995
Gross Salvage Value	339,469
Less Cost of Removal	678,937
Net Salvage Value	(339,469)
Forecast Plant Balances	235,247,325

Black Hills Power Company
 Unit Property Depreciation Rate Analysis
 Unit Property: Steam Production, Neil Simpson 2 Plant

Gross Salvage 5%
 Cost of Removal 10%
 Net Salvage -5%
 Install Date 1998
 Retirement Date 2045
 Service Life, Yrs 47

2008

Historical and Forecast Plant Additions & Balances
 Account: 316 Miscellaneous Power Equipment Initial Plant Balance 0

Line	Vintage Year	Vintage Age	Reported Per Books			Adjustments to Transaction Year		Adjusted Transaction Year		Transfers and Adjustments	EOY Plant Balance			
			Transaction Year		Vintage Year Retirements	Year		Retirements			Adjustments	Per Books	Simulated	
			Beg. Balance	Additions		Additions	Retirements							
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		7,852			7,852	-			310,352	310,352		
46	2003	42		35,386			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									459,562	459,562		
51	2008	37		20,114			20,114				479,676	479,676		
52	Total		\$ -	\$ 521,993	\$ 7,978	\$ 7,978	\$ -	\$ -	\$ 521,993	\$ 7,978	\$ (34,340)	\$ -	\$ 3,906,296	\$ 3,906,296

Major Additions/Retirements
 1998

Routine Activity \$ 242,948
 Historical Interim Activity 6.22% 0.20%
 Forecast Interim 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			681,014	
61	2015	30					42,355	1,391			721,978	
62	2016	29					44,903	1,474			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					60,133	1,975			1,025,020	
68	2022	23					63,750	2,093			1,086,677	
69	2023	22					67,585	2,219			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					90,508	2,972			1,542,797	
75	2029	16					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	2034	11					128,498	4,219			2,190,368	
81	2035	10					136,228	4,473			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	
86	2040	5					182,434	5,990			3,109,749	
87	2041	4					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			3,928,236	
91	2045	0							(3,928,236)			
			\$ 4,087,636	\$ 125,060								\$ 64,685,826

Whole Life Depreciation Rate Calculation

Historical Additions	521,993
Forecast Additions	3,565,643
Total Additions	4,087,636
Gross Salvage Value	196,412
Less Cost of Removal	392,824
Net Salvage Value	(196,412)
Total to be Recovered	4,284,047
Forecast Plant Balances	64,685,826
Whole Life Accrual Rate	6.62%
Cost of Removal Accrual Rate	0.61%
Whole Life Accrual Rate (Excluding Cost of Removal)	7.23%
Depreciable Service Life, years	15.1

Remaining Life Depreciation Rate Calculation

Account Balance 12/31/08	479,676
Forecast Additions	3,565,643
Gross Salvage Value	196,412
Less Cost of Removal	392,824
Net Salvage Value	(196,412)
Forecast Plant Balances	60,779,529