Black Hills Power, Inc.
Docket EL14-026
Decommissioning Regulatory Asset
Adjusted Test Year Ended September 30, 2013

Exhibit___(BAM-3)
Schedule 9
Page 1 of 1

Line	Description	Estimated Net Book Value as of 9/30/14	Estimated Decommissioning Costs	Less: Contingencies	Total Company Regulatory Asset	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	**Amortization Expense:**							
2	Ben French	$ (535,108)	$ 3,959,606	$ 350,683	$ 3,073,815			
3	Osage Units 1-3	(687,847)	3,951,736	348,772	2,915,117			
4	Neil Simpson	4,833,205	2,975,413	256,342	7,552,276			
5	Subtotal	$ 3,610,250	$ 10,886,755	$ 955,797	$ 13,541,208			
6	Estimated Ben French, Osage, and Neil Simpson 1 Obsolete Inventory				2,806,322			
7	Total				$ 16,347,530			
8								
9	Amortization Period (years)				10			
10	Annual Amortization Expense				$ 1,634,753	PRODPLT	89.83%	$ 1,468,507
11								
12	**Rate Base:**							
13	Unamortized Balance				$ 13,895,401	PRODPLT	89.83%	$ 12,482,309
14								
15	Accumulated Deferred Income Taxes							
16	Tax loss of retirement of plant assets				$ 3,606,771			
17	Tax loss of obsolete inventory				2,806,322			
18	Book Depreciation							
19	Plant Related				541,538			
20	Decommissioning Costs				1,489,644			
21	Obsolete Inventory				420,948			
22	Total Book Depreciation				2,452,130			
23								
24	Difference				3,960,963			
25	Tax Rate				35%			
26	Accumulated Deferred Income Tax				$ 1,386,337	TOTPLT	91.20%	$ 1,264,351

Sources:

Line 5: sum of lines 2-4
Line 7: sum of lines 5 & 6
Column b, lines 2-4: Schedule J-2, column f
Column c, lines 2-4: Schedule J-2, column g
Column d, lines 2-4: BHP Response to Staff DR 3-23, Attachment 3-23 Decommissioning Budget
Column e, lines 2-4: column b + column c - column d
Column e, line 6: BHP Response to Staff DR 7-15
Column e, line 9: Staff Recommendation
Column e, line 10: line 7 divided by line 9
Column e, line 13: line 7 less (1.5 * line 10)
Column e, lines 16 & 17: Email from Jon Thurber on 11/14/14
Column e, line 19: column b, line 5 divided by column e, line 9 * 1.5
Column e, line 20: (column c, line 5 less column d, line 5) divided by column e, line 9 * 1.5
Column e, line 21: column e, line 6 divided by column e, line 9 * 1.5
Column e, line 22: sum of lines 19-21
Column e, line 24: line 16 + line 17 - line 22
Column e, line 26: line 24 * line 25
Column f, line 10: Schedule N-1, page 16, column b, line 3
Column f, line 13: Schedule N-1, page 8, column b, line 15
Column f, line 26: Schedule N-1, page 8, column b, line 20
Column g, line 10: Schedule N-1, page 29, column d, line 101
Column g, line 13: Schedule N-1, page 29, column d, line 101
Column g, line 26: Schedule N-1, page 29, column d, line 100
Column h, lines 10, 13, & 26: column e * column g