

<u>Line</u>	<u>Description</u>	<u>South Dakota Amount</u>
	(a)	(b)
1	Rate Base	
2	Production Plant in Service	\$ 253,755
3	Depreciation Reserve	9,610
4	Accumulated Deferred Income Taxes	43,444
5	Total Rate Base	<u><u>\$ 200,701</u></u>
6	Operating Income	
7	Other Operating Revenues	
8	Interchange Revenues	\$ 4,999
9	Total Other Operating Revenues	\$ 4,999
10	Operating Expenses	
11	Depreciation Expense	12,963
12	Deferred Income Taxes	1,615
13	Federal Income Taxes	(4,266)
14	Total Operating Expenses	<u>10,312</u>
15	Operating Income	<u><u>\$ (5,313)</u></u>
16	<u>Calculation of Federal Income Taxes:</u>	
17	Operating Revenues	\$ 4,999
18	Property Taxes	-
19	Avoided Tax Interest	(960)
20	Tax Depreciation & Removal Expense	16,228
21	Federal Income Taxes	<u>\$ (4,266)</u>

Sources:

Column b, lines 2-4, 11, 12, 18, 19, & 20: DR 5-11 Supplemental, Attachment I, PF-26 tab, column E + column F
Column b, line 5: line 2 - line 3 - line 4
Column b, line 8: Email from Deb Paulson on 4/8/15
Column b, line 9: line 8
Column b, line 13: line 21
Column b, line 14: sum of lines 11-13
Column b, line 15: line 9 less line 14
Column b, line 17: line 9
Column b, line 21: (line 17 - line 18 + line 19 - line 20) * 35%