

Line	Acct. No.	Account	SD Electric Staff Average Per Book Plant in Service	Staff Plant Adjustments	Staff Proforma Plant in Service	SD Electric Staff Depreciation Rates	Notes	Annual Depreciation	Depreciation Charged to Clearing Account	SD Electric Per Books Depreciation	SD Electric Depreciation Adjustment	SD Electric Accumulated Depreciation Adjustment
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
<b>Plant in Service</b>												
<b>Steam Production Plant</b>												
<b>Heskett - 810</b>												
1	311	Structures & Improvements	1,532,095	93,444	1,625,539	5.75%		93,468				
2	312	Boiler Plant Equipment	2,852,615	33,809	2,886,424	3.37%		97,272				
3	314	Turbogenerator units	925,877	11,165	937,042	4.03%		37,763				
4	315	Accessory Equipment	119,270	-	119,270	3.51%		4,186				
5	316	Miscellaneous Equipment	406,461	26,870	433,331	3.72%		16,120				
6		Total Heskett	\$ 5,836,318	\$ 165,288	\$ 6,001,606			\$ 248,809	\$ -			
<b>Lewis &amp; Clark - 820</b>												
7	311	Structures & Improvements	247,462	(299)	247,163	2.14%		5,289				
8	312	Boiler Plant Equipment	1,313,127	227,501	1,540,628	4.16%		64,090				
9	314	Turbogenerator units	343,760	29,072	372,832	2.41%		8,985				
10	315	Accessory Equipment	54,842	(1,205)	53,637	0.57%		306				
11	316	Miscellaneous Equipment	268,701	20,637	289,338	4.67%		13,512				
12		Total Lewis & Clark	\$ 2,227,891	\$ 275,707	\$ 2,503,598			\$ 92,182	\$ -			
<b>Coyote - 830</b>												
13	311	Structures & Improvements	1,443,005	(25,499)	1,417,506	1.01%		14,317				
14	312	Boiler Plant Equipment	3,858,729	102,982	3,961,711	1.35%		53,483				
15	314	Turbogenerator units	1,070,241	(431)	1,069,810	2.42%		25,889				
16	315	Accessory Equipment	477,771	(10,037)	467,734	1.67%		7,811				
17	316	Miscellaneous Equipment	196,161	(615)	195,546	3.85%		7,529				
18		Total Lewis & Clark	\$ 7,045,907	\$ 66,400	\$ 7,112,307			\$ 109,029	\$ -			
<b>Big Stone - 861</b>												
19	311	Structures & Improvements	514,762	(3,556)	511,206	0.31%		1,585				
20	312	Boiler Plant Equipment	1,865,633	142,425	2,008,058	1.58%		31,727				
21	314	Turbogenerator units	663,681	17,800	681,481	1.70%		11,585				
22	315	Accessory Equipment	228,829	(2,125)	226,704	1.21%		2,743				
23	316	Miscellaneous Equipment	67,517	161	67,678	2.50%		1,692				
24		Total Big Stone - 861	\$ 3,340,422	\$ 154,705	\$ 3,495,127			\$ 49,332	\$ -			
25		Total Steam Production	\$ 18,450,538	\$ 662,100	\$ 19,112,638			\$ 499,352	\$ -	\$ 504,064	\$ (4,712)	\$ (2,356)
<b>Other Production Plant</b>												
<b>Heskett III Gas Turbine - 810</b>												
26	344	Generators	1,063,399	1,781,226	2,844,625	2.48%		70,547				
27	346	Miscellaneous Equipment	21,285	34,582	55,867	3.40%		1,899				
28		Total Heskett III Gas Turbine	\$ 1,084,684	\$ 1,815,808	\$ 2,900,492			\$ 72,446	\$ -			
<b>Glendive Turbine - Unit 1 - 851</b>												
29	341	Structures & Improvements	16,047	(1,174)	14,873	8.78%		1,306				
30	342	Fuel Holders, Producers & Acces.	129,216	(112,680)	16,536	9.26%		1,531				
31	344	Generators	367,191	(7,272)	359,919	2.74%		9,862				
32	345	Accessory Equipment	27,953	(3,022)	24,931	6.95%		1,733				
33	346	Miscellaneous Equipment	7,610	(841)	6,769	10.42%		705				
34		Total Glendive Turbine - Unit 1	\$ 548,017	\$ (124,989)	\$ 423,028			\$ 15,137	\$ -			
<b>Glendive Turbine - Unit 2 - 850</b>												
35	341	Structures & Improvements	-	822	822	2.74%		23				
36	342	Fuel Holders, Producers & Acces.	-	109,841	109,841	2.81%		3,087				
37	344	Generators	981,689	(21,570)	960,119	2.57%		24,675				
38	346	Miscellaneous Equipment	-	674	674	4.15%		28				
39		Total Glendive Turbine - Unit 2	\$ 981,689	\$ 89,767	\$ 1,071,456			\$ 27,813	\$ -			
<b>Miles City Turbine - 852</b>												
40	341	Structures & Improvements	11,339	(245)	11,094	15.97%		1,772				
41	342	Fuel Holders, Producers & Acces.	10,966	(235)	10,731	10.69%		1,147				
42	344	Generators	144,982	(2,404)	142,578	4.11%		5,860				
43	345	Accessory Equipment	18,905	(415)	18,490	11.41%		2,110				
44	346	Miscellaneous Equipment	983	(22)	961	11.08%		106				
45		Total Miles City Turbine	\$ 187,175	\$ (3,321)	\$ 183,854			\$ 10,995	\$ -			
<b>Portable Generator - 855</b>												
46	341	Structures & Improvements	9,075	(199)	8,876	2.55%		226				
47	342	Fuel Holders, Producers & Acces.	8,526	(187)	8,339	2.60%		217				
48	344	Generators	76,344	(1,677)	74,667	2.99%		2,233				
49	345	Accessory Equipment	31,305	(688)	30,617	3.04%		931				
50		Total Portable Generator	\$ 125,251	\$ (2,752)	\$ 122,499			\$ 3,607	\$ -			

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(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
<u>Diamond Willow Wind Farm - 856</u>												
51	341	Structures & Improvements	180,683	(853)	179,830	4.11%		7,391				
52	344	Generators	2,639,680		2,646,639	4.21%		111,424				
53	345	Accessory Equipment	445,467	(2,103)	443,364	4.23%		18,754				
54	346	Miscellaneous Equipment	2,997	(15)	2,982	4.08%		122				
55		Total Diamond Willow Wind Farm	\$ 3,268,826	\$ 3,989	\$ 3,272,815			\$ 137,691	\$ -			
<u>Ormat - 857</u>												
56	344	Generators	829,573	(18,228)	811,345	5.21%		42,271				
57		Total Ormat	\$ 829,573	\$ (18,228)	\$ 811,345			\$ 42,271	\$ -			
<u>Cedar Hills Wind Farm - 858</u>												
58	341	Structures & Improvements	150,349	(710)	149,639	3.88%		5,806				
59	344	Generators	1,882,804	(8,887)	1,873,917	3.81%		71,396				
60	345	Accessory Equipment	320,536	(1,513)	319,023	4.06%		12,952				
61	346	Miscellaneous Equipment	3,400	(16)	3,384	4.36%		148				
62		Total Cedar Hills Wind Farm	\$ 2,357,088	\$ (11,125)	\$ 2,345,963			\$ 90,302	\$ -			
63		Total Other Production	\$ 9,382,303	\$ 1,749,149	\$ 11,131,452			\$ 400,262	\$ -	\$ 382,941	\$ 17,321	\$ 8,661
<u>Transmission</u>												
64	350.1	Land	66,844	(1,503)	65,341			-				
65	350.2	Rights of Way	279,438	(1,711)	277,727	1.44%		3,999				
66	352	Structures & Improvements	98	(2)	96	1.44%		1				
67	353	Station Equipment	6,020,787	1,239,457	7,260,244	1.58%		114,712				
68	354	Towers and Fixtures	325,314	(5,672)	319,642	1.79%		5,722				
69	355	Poles and Fixtures	4,678,723	316,614	4,995,337	2.03%		101,405				
70	356	Overhead Conductor & Devices	3,441,962	272,026	3,713,988	1.53%		56,824				
71	357	Underground Conduit	66,083	(1,272)	64,811	2.01%		1,303				
72	358	Underground Conduit & Devices	126,071	(2,770)	123,301	2.01%		2,478				
73		Total Transmission	\$ 15,005,320	\$ 1,815,167	\$ 16,820,487			\$ 286,444	\$ -	\$ 293,657	\$ (7,213)	\$ (3,607)
<u>Distribution</u>												
74	360.1	Land	31,268	-	31,268			-				
75	360.2	Rights of Way	34,047	-	34,047	1.25%		426				
76	362	Station Equipment	2,248,658	60,621	2,309,279	1.92%		44,338				
77	364	Poles, Towers and Fixtures	2,278,318	(18,572)	2,259,746	3.09%		69,826				
78	365	Overhead Conductor & Devices	1,561,677	129,031	1,690,708	2.55%		43,113				
79	366	Underground Conduit	8,652	-	8,652	1.81%		157				
80	367	Underground Conduit & Devices	1,526,279	86,879	1,613,158	2.14%		34,522				
81	368	Line Transformers	4,102,083	363,477	4,465,560	1.85%		82,613				
82	369	Services	1,774,198	45,091	1,819,289	1.65%		30,018				
83	370	Meters	1,174,544	4,151	1,178,695	5.00%		58,935				
84	371	Yard Lights	185,387	(1,158)	184,229	4.84%		8,917				
85	373	Street Lights	731,902	5,938	737,840	2.88%		21,250				
86		Total Distribution	\$ 15,657,013	\$ 675,458	\$ 16,332,471			\$ 394,115	\$ -	\$ 469,247	\$ (75,132)	\$ (37,566)
<u>General</u>												
87	389	Land	24	(1)	23			-				
88	390	Structures and Improvements	78,806	1,198	80,004	0.81%		648				
89	391.1	Office Furniture & fixtures	8,179	(279)	7,900	6.67%		527				
90	391.3	Computer Equip. - PC	3,194	1,419	4,613	20.00%		923				
91	391.4	Computer Equip. - Prime	14,363	(492)	13,871	20.00%		2,774				
92	391.5	Computer Equip - Other	1,214	(16)	1,198	10.00%		120				
93	392.1	Trans. Equip., Non-Unitized	69,828	(350)	69,478	4.54%	C/A		3,154			
94	392.2	Trans. Equip., Unitized	576,342	98,693	675,035	5.48%	C/A		36,992			
95	393	Stores Equipment	14,774	-	14,774	3.33%		492				
96	394.1	Tools, Shop & Gar. Eq. - Non-Un.	241,795	34,676	276,471	5.00%		13,824				
97	395	Laboratory Equipment	24,571	(22)	24,549	5.00%		1,227				
98	396.1	Trailers - Work Equipment	34,562	4,322	38,884	5.44%	C/A		2,115			
99	396.2	Power Operated Equipment	709,758	273,198	982,956	5.39%	C/A		52,981			
100	397.1	Radio Comm. Equipment - Fixed	4,473	162	4,635	6.67%		309				
101	397.2	Radio Comm. Equipment - Mobile	7,603	(5,307)	2,296	6.67%		153				
102	397.3	General Tele. Comm. Equip.	11,745	329	12,074	10.00%		1,207				
103	397.4	Carrier Current Com. Equip.	29,800	(169)	29,631	6.67%		1,976				
104	397.5	Supervisory & Telemeter Equipment	13,257	37	13,294	10.00%		1,329				
105	397.6	Scada System	61,108	(622)	60,486	10.00%		6,049				
106	397.8	Network Equipment	74,264	43,927	118,191	20.00%		23,638				
107	397.9	Transfer Trip Comm. Equip.	8,871	(187)	8,684	6.67%		579				
108	398	Miscellaneous Equipment	1,437	(20)	1,417	4.00%		57				
109		Total General	\$ 1,989,968	\$ 450,496	\$ 2,440,464			\$ 55,832	\$ 95,242	\$ 48,568	\$ 7,264	\$ 3,632
110		Intangible Plant - General	\$ 311,628	\$ (119,091)	\$ 192,537			\$ 10,209		\$ 17,339	\$ (7,130)	\$ (3,565)

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(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
<u>Common</u>												
111	389	Land	32,929	(325)	32,604			-				
112	390	Structures and Improvements	565,094	4,478	569,572	0.85%		4,841				
113	391.1	Office Furniture & fixtures	58,375	(1,603)	56,772	6.67%		3,787				
114	391.3	Computer Equip. - PC	62,346	(4,078)	58,268	20.00%		11,654				
115	391.4	Computer Equip. - Prime	-	403	403	20.00%		-				
116	391.5	Computer Equip. - Other	61,716	25,391	87,107	20.00%		17,421				
117	392.1	Trans. Equip., Non-Unitized	76	(1)	75	0.00%	C/A	-				
118	392.2	Trans. Equip., Unitized	303,632	162,501	466,133	6.65%	C/A	30,998	30,998			
119	392.3	Aircraft	132,101	(1,674)	130,427	4.00%		5,217				
120	393	Stores Equipment	162	(2)	160	3.33%		5				
121	394.1	Tools, Shop & Gar. Eq. - Non-Un.	7,784	(434)	7,350	5.56%		409				
122	394.3	Vehicles Maint. Equip.	1,748	(22)	1,726	5.00%		86				
123	394.4	Vehicle Refueling Equip.	326	(4)	322	5.00%		16				
124	397.1	Radio Comm. Equipment - Fixed	71,244	11,296	82,540	6.67%		5,505				
125	397.2	Radio Comm. Equipment - Mobile	23,389	8,630	32,019	6.67%		2,136				
126	397.3	General Tele. Comm. Equip.	9,091	10,181	19,272	10.00%		1,927				
127	397.5	Supervisory & Telemeter Equipment	646	158	804	6.67%		54				
128	397.6	Scada System	-	-	-	10.00%		-				
129	397.8	Network Equipment	10,763	8,955	19,718	20.00%		3,944				
130	398	Miscellaneous Equipment	37,511	(871)	36,640	5.00%		1,832				
131		Total Common	\$ 1,378,933	\$ 222,979	\$ 1,601,912			\$ 89,832	\$ 30,998	\$ 58,094	\$ 31,738	\$ 15,869
130	303	Intangible Plant - Common	\$ 1,305,123	\$ 28,970	\$ 1,334,093			\$ 73,820		\$ 69,744	\$ 4,076	\$ 2,038
		<b>Total Gas Plant in Service</b>	<b>\$ 63,480,826</b>	<b>\$ 5,485,228</b>	<b>\$ 68,966,054</b>			<b>\$ 1,809,866</b>	<b>\$ 126,240</b>	<b>\$ 1,843,654</b>	<b>\$ (33,788)</b>	<b>\$ (16,894)</b>

**NOTES:** C/A = Depreciation charged to a clearing account - see Statement J, pages 3 & 4 of 8  
A = Amortization based on the life of each item

**Sources:**

Column c: BAM-4, page 2, column c  
Column d: BAM-1, page 2 and BAM-4, page 2  
Column e: column c plus column d  
Column f, lines 1-5, 7-11, 13-17, 19-23, 26-27, 29-33, 35-38, 40-44, 46-49, 51-54, 56, 58-61, 64-72, 74-82, 84-85, 87-108: MDU's response to Staff DR 3-49, Att. A  
Column f, line 83: Bob Towers' recommendation  
Column f, lines 111-130: Statement J, pages 6 & 7  
Column g: Statement J, pages 3-7  
Column h: column e times column f (excluding those charged to clearing account)  
Column i: column e times column f (for those charged to clearing account)  
Column j: Statement J, page 2  
Column k: column h less column j  
Column l: column k divided by 2

**Amortization of Intangible Plant**

**Intangible Plant - General**

	<u>Amount</u>	<u>Expected Life</u>	<u>Amortization</u>
<u>Additions</u>			
1 EMS/SUN Computer System Upgrade	\$ 3,300	10	\$ 330
2 Purchase Powerbase software - General Office	-	10	-
3 Install Distribution SCADA - General Office	-	10	-
4 Total General - Intangible	<u>\$ 3,300</u>		<u>\$ 330</u>
5 Per Books Amortization			\$ 16,268
6 Annualization Adjustment			\$ (6,389)
7 Total Amortization			<u>\$ 10,209</u>

**Intangible Plant - Common**

	<u>Amount</u>	<u>Expected Life</u>	<u>Amortization</u>
<u>Additions</u>			
8 Mobile workforce software - General Office	\$ 2,284	10	\$ 228
9 UG PowerPlan software	31	10	3
10 Customer Information System Upgrade - General Office	59,551	13	4,581
11 UG GIS Enhance Software	66	10	7
12 Upgrade Endpoint program - General Office	2,642	10	264
13 GIS data conversion - General Office	-	10	-
14 UG Human Capital Management Software	7,559	7	1,080
15 ECM upgrade - General Office	-	10	-
16 Replace Personal Info Security	4,904	7	701
17 Purchase additional CC&B App License - General Office	-	10	-
18 PowerPlan CPI tax calculation - General Office	-	10	-
19 Purchase Customer Care Software - General Office	-	10	-
20 Total Common - Intangible	<u>\$ 77,037</u>		<u>\$ 6,864</u>
21 Per Books Amortization			\$ 69,516
22 Annualization Adjustment			\$ (2,560)
23 Total Amortization			<u>\$ 73,820</u>

**Sources:**

Addition Amounts: BAM-1 page 2  
Expected Life: workpaper J-8, Email from Travis Jacobson on 2/8/16, Email from Travis Jacobson on 2/12/16  
Amortization: amount divided by expected life  
Annualization Adjustment: BAM-4, page 4  
Total Amortization: total additions amortization + per books amortization + annualization adjustment