

<u>Line</u>	<u>Description</u>	<u>Staff Proposed South Dakota - Gas Adjusted Test Year</u>	<u>MDU Proposed South Dakota - Gas Adjusted Test Year</u>	<u>Difference</u>
	(a)	(b)	(c)	(d)
1	Average Rate Base	\$ 33,690,278	\$ 39,169,595	\$ (5,479,318)
2	Operating Income with Present Rates	<u>3,340,070</u>	<u>2,168,439</u>	1,171,631
3	Earned Rate of Return	9.914%	5.536%	
4	Allowable Rate of Return	7.230%	8.101%	
5	Required Operating Income	2,435,807	3,173,129	(737,322)
6	Income Deficiency (Excess)	(904,263)	1,004,690	(1,908,953)
7	Gross Revenue Conversion Factor	<u>1.53846</u>	<u>1.53846</u>	
8	Revenue Deficiency (Excess)	(1,391,174)	1,545,677	(2,936,851)
9	Gross Receipts Tax (at 0.0015)	<u>(2,087)</u>	<u>2,322</u>	(4,409)
10	<b>Total Revenue Deficiency (Excess)</b>	<b><u>(1,393,261)</u></b>	<b><u>1,547,999</u></b>	(2,941,260)
11	Revenue with Present Rates	45,944,139	47,656,970	(1,712,831)
12	<b>Revenue Requirement</b>	<b>\$ 44,550,878</b>	<b>\$ 49,204,969</b>	<b>\$ (4,654,091)</b>

**SOURCES:**

Column b, line 1: BAM-2, Schedule 1, page 1, column d, line 34  
Column b, line 2: BAM-1, Schedule 2, page 1, column d, line 27  
Column b, line 3: Line 2 divided by line 1  
Column b, line 4: BLC-1, Schedule 1, column d, line 4  
Column b, line 5: Line 1 \* line 4  
Column b, line 6: Line 5 less line 2  
Column b, line 7: Effective FIT Rate / Inverse + 1  
Column b, line 8: Line 6 \* line 7  
Column b, line 9: Line 8 \* 0.0015  
Column b, line 10: Line 8 plus line 9  
Column b, line 11: BAM-1, Schedule 2, page 1, column d, line 5  
Column b, line 12: Line 11 plus line 10

Column c, lines 1-6, 9-12: Statement M, page 7  
Column c, line 7: Effective FIT Rate / Inverse + 1  
Column c, line 8: line 6 \* line 7