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NG15-004

- 2-1) Provide the formula used to derive the "What Net Income Should Be Based on WACC in a Rate Base Scenario" for years 1 and 2 on Exhibit B, page 1.

Year 1 = Total Investment times *ROE times *Equity.

Year 2 = (Total Investment + Additions – Depreciation – Deferred Taxes) times *ROE times *Equity.

*ROE and Equity percents are from the 2011 SD Gas rate case settlement.

- 2-2) Provide a replacement Exhibit B, page 1, without various cells grayed out.

Please see file DR2-2Confidential.