

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 1 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
	Energy Input (MWH) - (WP-1)	1	1,842,999	1,469,150
	Production Capacity (kW 1CP)	2	345,000	301,570
	Transmission Capacity (kW 1CP)	3	322,000	301,570
	Non-coincident Peaks	4	1	1
	Distribution - Secondary	5	1	1
	Customers-(Yearend #)	6	63,690	61,124
	Customers - Weighted Services (multiplier)	7	63,690	61,124
	Customers - Weighted Meters (multiplier)	8	63,691	61,124
	Weighted Bills	9	63,690	61,124
	Street Lighting (count)	10	12,898	12,147
	Private Area Lighting (# of cust)	11	2,679	2,512
	Total Production Plant (line 2006)	12	323,450,130	282,732,915
	Total Transmission Plant (line 2022)	13	12,225,281	11,449,621
	Total Distribution Plant (line 2040)	14	206,897,865	191,627,416
	Total General Plant (line 2045)	15	33,640,541	28,470,938
	Total Plant in Service (line 2046)	16	647,592,169	514,280,890
	Total Rate Base (line 2062)	17	332,399,856	264,029,279
	Subtotal Other Production Plant (line 2004)	18	75,590,088	66,074,501
	Total Lines (line 2011)	19	36,920,326	4,854,388
	Total Substations (line 2015)	20	17,622,828	6,119,647
	Subtotal Transmission Plant (line 2020)	21	54,543,154	10,974,034
	Subtotal Overhead Lines (line 2029)	23	123,393,659	104,554,516
	Subtotal Underground Lines (line 2032)	24	32,653,551	31,999,865
	Subtotal Distribution Plant (line 2038)	25	207,686,636	186,567,739
	Total Production O&M (line 3020)	26	92,192,259	74,023,137
	Total Operation & Maintenance (line 3092)	27	126,046,202	101,219,558
	Supervised O & M Expense-No CUS (line 3082)	28	19,815,746	16,677,411
	Subtotal Trans. Operation (line 3027)	29	3,450,618	2,336,236
	Subtotal Trans. Maintenance (line 3037)	30	233,380	114,139
	Distribution Operation Subtotal (line 3052)	31	1,790,209	1,660,991
	Distribution Maintenance Subtotal (line 3067)	32	1,585,947	1,491,110
	Transmission Poles & Fixtures & Conductors	33	27,910,136	15,519,149
	Transmission Substations - Direct	34	17,249,280	12,743,217
	FERC Direct	35	1	0
	Montana Direct	36	1	0
	South Dakota Direct	37	1	1
	Wyoming Direct	38	1	0
	Firm Revenues	39	117,045,519	100,776,454
	Late Payment Revenue	40	129,593	125,242
	Miscellaneous Service Revenues	41	279,732	272,531
	Firm Revenues-States Only	42	110,237,904	100,776,454
	Regulatory Commission Taxes	43	236,281	145,206
	Dist. Land and Land Rights	44	1,328,534	1,239,571
	Dist. Structures	45	254,640	246,581
	Dist. Station Equipment	46	47,869,429	38,753,535
	Dist. Poles, Towers, and Fixtures	47	46,450,569	43,613,361
	Dist. Overhead Conductors and Devices	48	27,490,486	25,519,857
	Dist. Underground Conduit	49	761,070	760,023
	Dist. Underground Conductor	50	31,892,481	31,239,842
	Dist. Line Transformers	51	23,330,521	22,410,389
	Dist. Services	52	16,767,709	16,338,907
	Dist. Meters	53	8,688,805	8,533,969
	Dist. Installations on Customer Premises	54	1,506,372	1,435,786
	Dist. Street Lighting	55	1,346,020	1,294,308
	Total Plant in Service Excluding CUS (Line 2046.1)	56	576,213,816	514,280,890
	CUS Transmission Expense	65	100.00	48.91
	Transmission expenses from CUS	66	1,640,285	1,469,150
	CUS Direct Expenses	67	1	1

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 2 of 9

Ref. #	Description	Allocation		Total	South Dakota
		Factor			
	Energy Input (MWH) - (WP-1)	1		100%	79.72%
	Production Capacity (kW ICP)	2		100%	87.41%
	Transmission Capacity (kW ICP)	3		100%	93.66%
	Non-coincident Peaks	4		100%	100.00%
	Distribution - Secondary	5		100%	100.00%
	Customers-(Yearend #)	6		100%	95.97%
	Customers - Weighted Services (multiplier)	7		100%	95.97%
	Customers - Weighted Meters (multiplier)	8		100%	95.97%
	Weighted Bills	9		100%	95.97%
	Street Lighting (count)	10		100%	94.18%
	Private Area Lighting (# of cust)	11		100%	93.77%
	Total Production Plant (line 2006)	12		100%	87.41%
	Total Transmission Plant (line 2022)	13		100%	93.66%
	Total Distribution Plant (line 2040)	14		100%	92.62%
	Total General Plant (line 2045)	15		100%	84.63%
	Total Plant in Service (line 2046)	16		100%	79.41%
	Total Rate Base (line 2062)	17		100%	79.43%
	Subtotal Other Production Plant (line 2004)	18		100%	87.41%
	Total Lines (line 2011)	19		100%	13.15%
	Total Substations (line 2015)	20		100%	34.73%
	Subtotal Transmission Plant (line 2020)	21		100%	20.12%
	Subtotal Overhead Lines (line 2029)	23		100%	84.73%
	Subtotal Underground Lines (line 2032)	24		100%	98.00%
	Subtotal Distribution Plant (line 2038)	25		100%	89.83%
	Total Production O&M (line 3020)	26		100%	80.29%
	Total Operation & Maintenance (line 3092)	27		100%	80.30%
	Supervised O & M Expense-No CUS (line 3082)	28		100%	84.16%
	Subtotal Trans. Operation (line 3027)	29		100%	67.70%
	Subtotal Trans. Maintenance (line 3037)	30		100%	48.91%
	Distribution Operation Subtotal (line 3052)	31		100%	92.78%
	Distribution Maintenance Subtotal (line 3067)	32		100%	94.02%
	Transmission Poles & Fixtures & Conductors	33		100%	55.60%
	Transmission Substations - Direct	34		100%	73.88%
	FERC Direct	35		100%	0.00%
	Montana Direct	36		100%	0.00%
	South Dakota Direct	37		100%	100.00%
	Wyoming Direct	38		100%	0.00%
	Firm Revenues	39		100%	86.10%
	Late Payment Revenue	40		100%	96.64%
	Miscellaneous Service Revenues	41		100%	97.43%
	Firm Revenues-States Only	42		100%	91.42%
	Regulatory Commission Taxes	43		100%	61.45%
	Dist. Land and Land Rights	44		100%	93.30%
	Dist. Structures	45		100%	96.83%
	Dist. Station Equipment	46		100%	80.96%
	Dist. Poles, Towers, and Fixtures	47		100%	93.89%
	Dist. Overhead Conductors and Devices	48		100%	92.83%
	Dist. Underground Conduit	49		100%	99.86%
	Dist. Underground Conductor	50		100%	97.95%
	Dist. Line Transformers	51		100%	96.06%
	Dist. Services	52		100%	97.44%
	Dist. Meters	53		100%	98.22%
	Dist. Installations on Customer Premises	54		100%	95.31%
	Dist. Street Lighting	55		100%	96.16%
	Total Plant in Service Excluding CUS (Line 2046.1)	56		100%	89.25%
	CUS Transmission Expense	65		100%	48.91%
	Transmission expenses from CUS	66		100%	89.57%
	CUS Direct Expenses	67		100%	0.00%

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 3 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
2001 Plant in Service				
2002	Production Plant			
2003	Steam Production Plant	2	246,259,601	215,259,444
2004	Other Production Plant	2	75,590,088	66,074,501
2005	Unclassified Steam Production Plant	2	1,110,279	970,513
2005.1	CWIP Production & CT Plant	2	490,161	428,457
2006	Total Production Plant	CAT01	323,450,130	282,732,915
2007 Transmission Plant				
2008	Lines			
2009	Power Pool Service	3	5,183,250	4,854,388
2009.1	CUS Plant	67	31,737,076	-
2010	Direct To Jurisdiction	33	-	-
2011	Total Lines	CAT02	36,920,326	4,854,388
2012	Substations			
2013	Power Pool Service	3	6,534,225	6,119,647
2014	CUS Plant	67	11,088,603	-
2015	Total Substations	CAT03	17,622,828	6,119,647
2016	Total Lines And Substations	TOTAL01	54,543,154	10,974,034
2017	Other Transmission Plant			
2018	Power Pool Service	3	-	-
2019	Total Other Trans. Plant	CAT04	0	-
2020	Subtotal - Trans. Plant	TOTAL02	54,543,154	10,974,034
2021	Unclassified Trans. Plant plus Additions	3	507,805	475,586
2021.1	Unclassified Trans. Plant plus Additions	67	19,856,405	-
2021.2	Total Unclassified Trans. Plant	CAT05	20,364,210	475,586
2022	Total Transmission Plant	TOTAL03	74,907,365	11,449,621
2023 Distribution Plant				
2024	Land And Land Rights	44	1,328,534	1,239,571
2025	Structures And Improvements	45	254,640	246,581
2026	Station Equipment	46	41,917,623	33,935,146
2026.1	Distribution - Station Equipment	67	5,951,806	-
2027.1	Poles, Towers & Fixtures - Primary	47	46,450,569	43,613,361
2027.2	Poles, Towers & Fixtures - Secondary	47	-	-
2028.1	Overhead Conductors & Devices - Primary	48	27,490,486	25,519,857
2028.2	Overhead Conductors & Devices - Secondary	48	-	-
2029	Subtotal - O.H. Lines	CAT06	123,393,659	104,554,516
2030	Underground Conduit	49	761,070	760,023
2031	U.G. Conductors & Devices	50	31,892,481	31,239,842
2032	Subtotal - U.G. Lines	CAT07	32,653,551	31,999,865
2033	Line Transformers	51	23,330,521	22,410,389
2034	Services	52	16,767,709	16,338,907
2035	Meters	53	8,688,805	8,533,969
2036	Installations on Cust. Premises	54	1,506,372	1,435,786
2037	Street Lighting and Signal Systems	55	1,346,020	1,294,308
	Subtotal - Equipment	CAT08	51,639,426	50,013,359
2038	Subtotal - Dist. Plant	TOTAL04	207,686,636	186,567,739

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 4 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
2039	Unclassified Dist. Plant Plus Additions	24	5,163,035	5,059,677
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2039	Total Unclassified Dist. Plant	CAT09	5,163,035	5,059,677
2040	Total Distribution Plant	TOTAL05	212,849,671	191,627,416
2041	Total Trans. and Dist. Plant	TOTAL06	287,757,036	203,077,037
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2042	General Plant			
2043	Classified Plant	28	27,468,761	23,118,374
2043.1	Unclassified General Plant	28	1,301,472	1,095,350
2043.2	Transmission - General Plant	67	2,744,463	-
2044	Plant Acquisition Adj	2	4,870,308	4,257,214
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2045	Total General Plant	CAT10	36,385,004	28,470,938
2046	Total Plant in Service	TOTAL07	647,592,169	514,280,890
2046.1	Total Plant in Service-Excluding CUS	TOTAL07.1	576,213,816	514,280,890
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2047	Accumulated Depreciation			
2048	Production	12	142,532,064	124,589,549
2049	Transmission	13	12,062,799	11,297,449
2049.1	Transmission - CUS/AC-DC Tie	67	25,255,795	-
2050	Distribution	14	57,880,831	53,608,838
2051	General	15	12,133,036	10,268,530
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2052	Total Accumulated Depreciation	CAT11	249,864,525	199,764,366
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2053	Net Plant	TOTAL08	397,727,644	314,516,524
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2054	Accum amortized Wyodak & Rushmore Acquisition Adj.	2	2,144,893	1,874,885
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2054	Accum amortized Wyodak & Rushmore Acquisition Adj.	CAT12	2,144,893	1,874,885
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2055	Working Capital			
2056	Cash Working Capital Allowance	28	1,749,268	1,472,227
2057	Materials and Supplies	56	9,053,452	8,080,364
2058	Prepayments	56	1,484,898	1,325,298
2058.1	Transmission - Working Capital	67	2,087,295	-
2059	Fuel Stocks	1	4,270,821	3,404,492
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2060	Total Working Capital	CAT13	18,645,734	14,282,380
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2061	Other Rate Base Deductions	12	71,952,400	62,894,740
2061.1	Transmission Rate Base Deductions	67	7,818,214	-
2061.2	Transmission Rate Base Deductions	67	2,058,015	-
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2061	Total Other Rate Base Deductions	CAT14	81,828,629	62,894,740
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2062	Total Rate Base	TOTAL09	332,399,856	264,029,279
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3001	Operation and Maintenance Expense			
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3002	Production Expense			
3003	Operation			
3004	Steam Power Generation			
3005	Fuel	1	13,622,030	10,858,826
3006	Rents	2	-	-
3007	Other	2	-	-
3008	Other Power Generation			

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 5 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
3009	Fuel	1	3,228,660	2,573,732
3010	Other	2	-	-
3011	Other Power Supply			
3012	Purchased Power - Capacity	2	6,119,576	5,349,219
3013	Purchased Power - Energy	1	56,864,320	45,329,496
3014	System Cont. & Load Dispatch	2	-	-
3015	Total Production Operation	CAT15	79,834,587	64,111,274
3016	Maintenance			
3017	Steam Power Generation	1	11,566,102	9,219,939
3018	Other Power Generation	2	791,570	691,924
3019	Total Production Maintenance	CAT16	12,357,672	9,911,863
3020	Total Production O&M	TOTAL10	92,192,259	74,023,137
3021 Transmission Expense				
3022	Operation			
3023	Load Dispatching	67	741,059	-
3024	Station Expenses	67	182,214	-
3025	Overhead Line Expenses	65	68,731	33,614
3026	Transmission Expense	3	2,458,614	2,302,622
3027	Subtotal Trans. Operation	CAT17	3,450,618	2,336,236
3028	Supervision and Engineering	65	357,602	174,892
3029	Misc. Trans. Expenses	65	187,975	91,932
3030	Rents	3	-	-
3031	Total Transmission Operation	CAT18	3,996,195	2,603,060
3032	Maintenance			
3033	Structures	20	-	-
3034	Station Equipment	65	88,187	43,130
3035	Overhead Lines	65	145,193	71,009
3036	Underground Lines	19	-	-
3037	Subtotal Trans. Maintenance	CAT19	233,380	114,139
3038	Supervision and Engineering	65	27,858	13,624
3039	Misc. Trans. Plant	30	-	-
3040	Total Transmission Maint.	CAT20	261,238	127,763
3041	Total Transmission O&M	TOTAL11	4,257,433	2,730,823
3042 Distribution Expense				
3043	Operation			
3044	Load Dispatching	4	68,144	68,144
3045	Station Expenses	46	331,405	268,294
3046	Overhead Line Expenses	47	680,993	639,397
3047	Transformer Setting	51	-	-
3048	Underground Line Expenses	24	202,086	198,040
3049	Street Lighting and Sig. Exp.	10	954	898
3050	Meter Expenses	6	472,697	453,653
3051	Cust. Install. Expenses	6	33,931	32,564
3052	Subtotal Dist. Operation	CAT21	1,790,209	1,660,991
3053	Supervision and Operation	31	553,852	513,875
3054	Misc. Dist. Expenses	31	388,190	360,170

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 6 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
3055	Rents	31	21,599	20,040
3056	Upton, Wyoming Rents	38	-	-
3057	Total Distribution Operation	CAT22	2,753,850	2,555,076
3058	Maintenance			
3059	Structures	45	-	-
3060	Station Equipment	46	47,440	38,406
3061	Overhead Lines	47	1,210,067	1,136,156
3062	Underground Lines	24	115,557	113,244
3063	Line Transformers	51	17,811	17,108
3064	Street Light. & Signal System	55	114,705	110,298
3065	Meters	6	43,637	41,879
3066	Misc. Dist. Plant	14	36,730	34,019
3067	Subtotal Dist. Maintenance	CAT23	1,585,947	1,491,110
3068	Supervision and Engineering	31	21,236	19,704
3069	Total Distribution Maintenance	CAT24	1,607,183	1,510,814
3070	Total Distribution O&M	TOTAL12	4,361,033	4,065,890
3071	Total Trans. & Dist. O&M	TOTAL13	8,618,467	6,796,713
3072	Computer Services			
3073	Computer Services	9	-	-
3074	Customer Accounts	9	-	-
3075	Accounts 901 Through 905	39	1,768,059	1,522,303
3076	Total Comp. Exp. & Cust. Acct.	CAT25	1,768,059	1,522,303
3077	Customer Service & Information			
3078	Accounts 907 Through 910	39	893,370	769,194
3079	So. Dakota Economic Development	37	-	-
3080	Total Customer Service and Info.	CAT26	893,370	769,194
3081	Subtotal O&M Expense	TOTAL14	103,472,154	83,111,347
3082	Supervised O&M Expense	TOTAL15	21,157,355	16,677,411
3083	Administrative and General Exp.			
3084	Operation			
3085	Property Insurance	56	602,294	537,558
3086	Regulatory Comm. Exp.	39	297,625	256,256
3087	Other A&G Expense	28	20,359,147	17,134,751
3087.1	Other A&G Expense-CUS	67	1,101,529	-
3088	Total A&G Operation	CAT27	22,360,595	17,928,565
3089	Maintenance			
3090	General Plant	28	213,453	179,647
3091	Total A&G Expenses	CAT28	22,574,048	18,108,212
3092	Total O&M Expenses	TOTAL16	126,046,202	101,219,558
3093	Total O&M Exp. Less Purch. Pwr.	TOTAL17	63,062,306	50,540,843
3094	Total O&M Exp. Less P. P. & Fuel	TOTAL18	46,211,616	37,108,284
3095	Amortization of Acquisition Adj.	2	151,404	132,345
3095	Amortization of Acquisition Adj.	CAT29	151,404	132,345

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 7 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
3096 Depreciation Expense				
3097	Production	12	9,695,786	8,475,241
3098	Transmission	13	107,769	100,931
3098.1	Transmission-CUS/AC-DC Tie	67	1,602,714	-
3099	Distribution	14	5,830,635	5,400,295
3100	General	15	2,049,579	1,734,616
3100.1	General-Transmission	67	105,406	-
3101	Total Depreciation Expense	CAT30	19,391,889	15,711,084
3102 Taxes Other Than Income				
3103	Property Taxes	56	5,028,838	4,488,326
3103.1	Property Taxes-Transmission	67	621,162	-
3104	Nebraska Tax on Trans. Plant	13	-	-
3105	Payroll Taxes	28	1,314,281	1,106,131
3105.1	Payroll Taxes-Transmission	67	60,188	-
3106	Unemployment - Federal	28	-	-
3107	Unemployment - State	28	-	-
3108	Gross Receipts Tax	38	-	-
3109	Regulatory Comm. Taxes/Expenses	43	236,281	145,206
3110	Total Taxes Other Than Income	CAT31	7,260,750	5,739,663
3111	Total Oper. Exp. Before Inc. Tax	TOTAL19	152,850,246	122,802,649
4001 Other Operating Revenue				
4002	Acct. 450 - Forfeited Discounts	40	129,593	125,242
4003	Acct. 451 - Misc. Service Revenues	41	279,732	272,531
4004	Acct. 453 - Sales of Water	41	(1,926)	(1,876)
4005	Acct. 454 & 456 - Rent from Elec. Prop. & Other	2	661,067	577,849
4006	Revenue - CUS System	67	6,123,153	-
4007	Total Other Operating Revenue	CAT32	7,191,620	973,747
5001 Return Under Existing Rates				
5002	Revenue from Firm Sales	39	117,045,519	100,776,454
5002.1	Revenue from Firm Sales-Unbilled	42	544,642	497,897
5002.2	Revenue from Other Non-Firm	1	47,647,276	37,982,113
5003	Revenue from Contracts	1	16,576,350	13,213,868
5004	Other Operating Revenue		7,191,620	973,747
5005	Total Operating Revenue	CAT33	189,005,407	153,444,078
5006	Oper. Expense Before Income Tax	TOTAL19	152,850,246	122,802,649
5007	Oper. Income Before Income Tax	TOTAL20	36,155,161	30,641,428
5008 Federal Income Tax Calculation				
5009	Tax Adjustments			
5010	Interest Expense	17	12,649,175	10,047,395
5011	State Income Tax	36	(12,903)	-
5012	Other Tax Adjustments	16	(26,159)	(20,774)
5013	Total Tax Adjustments	CAT34	12,610,113	10,026,621
5014	Taxable Income	TOTAL21	23,545,048	20,614,808
5015	Federal Income Tax		8,240,767	7,215,183
5016	Deferred Federal Income Tax	16	(2,745,208)	(2,180,088)
5017	Less Inv. Tax Credit Amort.	16	(260,327)	(206,737)
5018	Total Federal Income Tax	CAT35	5,755,886	5,241,831

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 8 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
5019	State Income Tax	36	(12,903)	-
5019	State Income Tax	CAT36	(12,903)	-
5020	Total Operating Expense	TOTAL22	158,593,228	128,044,481
5021	Return to equity pretax	TOTAL23	30,412,178	25,399,597
5022	Rate Base	TOTAL09	332,399,856	264,029,279
5023	Rate of Return, Existing Rates		9.15%	9.62%
6001 Proposed Revenue Increase				
6002	Revenue Increase			
6003	Revenue Under Existing Rates		117,590,161	101,274,351
6004	Revenue Under Proposed Rates		121,051,691	102,111,839
6005	Proposed Revenue Increase		2,249,995	544,367
6006	Additional Revenue with Federal Income Tax		3,461,531	837,488
6007 Return Under Proposed Rates				
6008	Revenue from Firm Sales		121,051,691	102,111,839
6009	Revenue from Non-Firm Sales		47,647,276	37,982,113
6010	Revenue from Contract Sales		16,576,350	13,213,868
6011	Other Operating Revenue		7,191,620	973,747
6012	Total Operating Revenue		192,466,937	154,281,566
6013	Operation and Maintenance Expense		126,046,202	101,219,558
6014	Depreciation and Amortization Expense		19,543,293	15,843,429
6015	Taxes Other than Income Tax		7,260,750	5,739,663
6016	Federal Income Tax - Existing Rates		5,755,886	5,241,831
6017	Federal Income Tax - Additional		1,211,536	293,121
6018	State Income Tax		(12,903)	-
6019	Total Operating Expenses		159,804,764	128,337,602
6020	Return		32,662,173	25,943,964
6021	Rate Base		332,399,856	264,029,279
6022	Rate of Return, Proposed Rates		9.83%	9.83%
7001 Return Under Current Rates				
7002	Revenue from Firm Sales		117,590,161	101,274,351
7003	Revenue from Non-Firm Sales		47,647,276	37,982,113
7004	Revenue from Contract Sales		16,576,350	13,213,868
7005	Other Operating Revenue		7,191,620	973,747
7006	Total Operating Revenue		189,005,407	153,444,078
7007	Operation and Maintenance Expense		126,046,202	101,219,558
7008	Depreciation and Amortization Expense		19,543,293	15,843,429
7009	Taxes Other than Income Tax		7,260,750	5,739,663
7010	Federal Income Tax - Existing Rates		5,755,886	5,241,831
7011	State Income Tax		(12,903)	-
7012	Total Operating Expenses		158,593,228	128,044,481
7013	Return		30,412,178	25,399,597

BLACK HILLS POWER, INC.
PER BOOKS COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Statement N
Page 9 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
7014	Rate Base		332,399,856	264,029,279
7015	Rate of Return, Current Rates		9.15%	9.62%
8001 Cost of Service and Revenue Deficiency				
8002	Rate Base		332,399,856	264,029,279
8003	Rate of Return		9.83%	9.83%
8004	Return		32,662,173	25,943,964
8005	Operation and Maintenance Expenses		126,046,202	101,219,558
8006	Depreciation and Amortization Expense		19,543,293	15,843,429
8007	Taxes Other than Income Tax		7,260,750	5,739,663
8008	Federal Income Tax - Existing Rates		5,755,886	5,241,831
8009	State Income Tax		(12,903)	-
8010	Total Cost of Service		191,255,401	153,988,445
8011	Less: Other Operating Revenue		7,191,620	973,747
8012	Less: Revenue from Non-Firm Sales		47,647,276	37,982,113
8013	Less: Revenue from Contract Sales		16,576,350	13,213,868
8014	Net Cost of Service		119,840,156	101,818,718
8015	Revenue Under Existing Rates		117,590,161	101,274,351
8016 Revenue Deficiency				
8017	Amount before tax adjustment		(2,249,995)	(544,367)
8018	Tax Adjusted Amount Needed		(3,461,531)	(837,488)
8019	Percent Increase/(Decrease)		2.94%	0.83%
	tax multiplier (1/(1-.35)) Federal Tax Rate at 35%		1.54	1.54

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 1 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
	Energy Input (MWH) - See WP-1	1	1,842,999	1,469,150
	Production Capacity (kW ICP)	2	345,000	301,570
	Transmission Capacity (kW ICP)	3	322,000	301,570
	Non-coincident Peaks	4	1	1
	Distribution - Secondary	5	1	1
	Customers-(Yearend #)	6	63,539	60,980
	Customers - Weighted Services (multiplier)	7	63,539	60,980
	Customers - Weighted Meters (multiplier)	8	63,540	60,980
	Weighted Bills	9	63,539	60,980
	Street Lighting (count)	10	12,898	12,147
	Private Area Lighting (# of cust)	11	2,679	2,512
	Total Production Plant (line 2006)	12	330,237,112	288,665,524
	Total Transmission Plant (line 2022)	13	12,225,281	11,449,621
	Total Distribution Plant (line 2040)	14	216,586,899	201,122,487
	Total General Plant (line 2045)	15	42,070,363	35,611,939
	Total Plant in Service (line 2046)	16	672,498,007	536,849,570
	Total Rate Base (line 2062)	17	356,837,826	286,039,222
	Subtotal Other Production Plant (line 2004)	18	75,590,088	66,074,501
	Total Lines (line 2011)	19	36,920,326	4,854,388
	Total Substations (line 2015)	20	17,622,828	6,119,647
	Subtotal Transmission Plant (line 2020)	21	54,543,154	10,974,034
	Subtotal Overhead Lines (line 2029)	23	123,393,659	104,554,516
	Subtotal Underground Lines (line 2032)	24	32,653,551	31,999,865
	Subtotal Distribution Plant (line 2038)	25	207,686,636	186,567,739
	Total Production O&M (line 3020)	26	50,720,498	40,964,294
	Total Operation & Maintenance (line 3092)	27	89,758,516	73,194,124
	Supervised O & M Expense-No CUS (line 3082)	28	20,763,520	17,500,901
	Subtotal Trans. Operation (line 3027)	29	10,770,933	9,121,875
	Subtotal Trans. Maintenance (line 3037)	30	238,368	116,578
	Distribution Operation Subtotal (line 3052)	31	2,057,350	1,908,858
	Distribution Maintenance Subtotal (line 3067)	32	1,613,998	1,517,574
	Transmission Poles & Fixtures & Conductors	33	27,910,136	15,519,149
	Transmission Substations - Direct	34	17,249,280	12,743,217
	FERC Direct	35	1	0
	Montana Direct	36	1	0
	South Dakota Direct	37	1	1
	Wyoming Direct	38	1	0
	Firm Revenues	39	117,045,519	100,776,454
	Late Payment Revenue	40	129,593	125,242
	Miscellaneous Service Revenues	41	279,732	271,977
	Firm Revenues-States Only	42	110,237,904	100,776,454
	Regulatory Commission Taxes	43	236,281	145,206
	Dist. Land and Land Rights	44	1,328,534	1,239,571
	Dist. Structures	45	254,640	246,581
	Dist. Station Equipment	46	47,869,429	38,753,535
	Dist. Poles, Towers, and Fixtures	47	46,450,569	43,613,361
	Dist. Overhead Conductors and Devices	48	27,490,486	25,519,857
	Dist. Underground Conduit	49	761,070	760,023
	Dist. Underground Conductor	50	31,892,481	31,239,842
	Dist. Line Transformers	51	23,330,521	22,410,389
	Dist. Services	52	16,767,709	16,338,907
	Dist. Meters	53	8,688,805	8,533,969
	Dist. Installations on Customer Premises	54	1,506,372	1,435,786
	Dist. Street Lighting	55	1,346,020	1,294,308
	Total Plant in Service Excluding CUS (Line 2046.1)	56	601,119,654	536,849,570
	CUS Transmission Expense	65	100.00	48.91
	Transmission expenses from CUS	66	1,640,285	1,469,150
	CUS Direct Expenses	67	1	

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 2 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
	Energy Input (MWH) - See WP-1	1	100%	79.72%
	Production Capacity (kW ICP)	2	100%	87.41%
	Transmission Capacity (kW ICP)	3	100%	93.66%
	Non-coincident Peaks	4	100%	100.00%
	Distribution - Secondary	5	100%	100.00%
	Customers-(Yearend #)	6	100%	95.97%
	Customers - Weighted Services (multiplier)	7	100%	95.97%
	Customers - Weighted Meters (multiplier)	8	100%	95.97%
	Weighted Bills	9	100%	95.97%
	Street Lighting (count)	10	100%	94.18%
	Private Area Lighting (# of cust)	11	100%	93.77%
	Total Production Plant (line 2006)	12	100%	87.41%
	Total Transmission Plant (line 2022)	13	100%	93.66%
	Total Distribution Plant (line 2040)	14	100%	92.86%
	Total General Plant (line 2045)	15	100%	84.65%
	Total Plant in Service (line 2046)	16	100%	79.83%
	Total Rate Base (line 2062)	17	100%	80.16%
	Subtotal Other Production Plant (line 2004)	18	100%	87.41%
	Total Lines (line 2011)	19	100%	13.15%
	Total Substations (line 2015)	20	100%	34.73%
	Subtotal Transmission Plant (line 2020)	21	100%	20.12%
	Subtotal Overhead Lines (line 2029)	23	100%	84.73%
	Subtotal Underground Lines (line 2032)	24	100%	98.00%
	Subtotal Distribution Plant (line 2038)	25	100%	89.83%
	Total Production O&M (line 3020)	26	100%	80.76%
	Total Operation & Maintenance (line 3092)	27	100%	81.55%
	Supervised O & M Expense-No CUS (line 3082)	28	100%	84.29%
	Subtotal Trans. Operation (line 3027)	29	100%	84.69%
	Subtotal Trans. Maintenance (line 3037)	30	100%	48.91%
	Distribution Operation Subtotal (line 3052)	31	100%	92.78%
	Distribution Maintenance Subtotal (line 3067)	32	100%	94.03%
	Transmission Poles & Fixtures & Conductors	33	100%	55.60%
	Transmission Substations - Direct	34	100%	73.88%
	FERC Direct	35	100%	0.00%
	Montana Direct	36	100%	0.00%
	South Dakota Direct	37	100%	100.00%
	Wyoming Direct	38	100%	0.00%
	Firm Revenues	39	100%	86.10%
	Late Payment Revenue	40	100%	96.64%
	Miscellaneous Service Revenues	41	100%	97.23%
	Firm Revenues-States Only	42	100%	91.42%
	Regulatory Commission Taxes	43	100%	61.45%
	Dist. Land and Land Rights	44	100%	93.30%
	Dist. Structures	45	100%	96.83%
	Dist. Station Equipment	46	100%	80.96%
	Dist. Poles, Towers, and Fixtures	47	100%	93.89%
	Dist. Overhead Conductors and Devices	48	100%	92.83%
	Dist. Underground Conduit	49	100%	99.86%
	Dist. Underground Conductor	50	100%	97.95%
	Dist. Line Transformers	51	100%	96.06%
	Dist. Services	52	100%	97.44%
	Dist. Meters	53	100%	98.22%
	Dist. Installations on Customer Premises	54	100%	95.31%
	Dist. Street Lighting	55	100%	96.16%
	Total Plant in Service Excluding CUS (Line 2046.1)	56	100%	89.31%
	CUS Transmission Expense	65	100%	48.91%
	Transmission expenses from CUS	66	100%	89.57%
	CUS Direct Expenses	67	100%	0.00%

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 3 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
2001 Plant in Service				
2002	Production Plant			
2003	Steam Production Plant	2	246,259,601	215,259,444
2004	Other Production Plant	2	75,590,088	66,074,501
2005	Unclassified Steam Production Plant	2	7,617,261	6,658,369
2005.1	CWIP Production & CT Plant	2	770,161	673,210
2006	Total Production Plant	CAT01	330,237,112	288,665,524
2007 Transmission Plant				
2008	Lines			
2009	Power Pool Service	3	5,183,250	4,854,388
2009.1	CUS Plant	67	31,737,076	-
2010	Direct To Jurisdiction	33	-	-
2011	Total Lines	CAT02	36,920,326	4,854,388
2012	Substations			
2013	Power Pool Service	3	6,534,225	6,119,647
2014	CUS Plant	67	11,088,603	-
2015	Total Substations	CAT03	17,622,828	6,119,647
2016	Total Lines And Substations	TOTAL01	54,543,154	10,974,034
2017	Other Transmission Plant			
2018	Power Pool Service	3	-	-
2019	Total Other Trans. Plant	CAT04	0	-
2020	Subtotal - Trans. Plant	TOTAL02	54,543,154	10,974,034
2021	Unclassified Trans. Plant plus Additions	3	507,805	475,586
2021.1	Unclassified Trans. Plant plus Additions	67	19,856,405	-
2021.2	Total Unclassified Trans. Plant	CAT05	20,364,210	475,586
2022	Total Transmission Plant	TOTAL03	74,907,365	11,449,621
2023 Distribution Plant				
2024	Land And Land Rights	44	1,328,534	1,239,571
2025	Structures And Improvements	45	254,640	246,581
2026	Station Equipment	46	41,917,623	33,935,146
2026.1	Transmission - Station Equipment	67	5,951,806	-
2027.1	Poles, Towers & Fixtures - Primary	47	46,450,569	43,613,361
2027.2	Poles, Towers & Fixtures - Secondary	47	-	-
2028.1	Overhead Conductors & Devices - Primary	48	27,490,486	25,519,857
2028.2	Overhead Conductors & Devices - Secondary	48	-	-
2029	Subtotal - O.H. Lines	CAT06	123,393,659	104,554,516
2030	Underground Conduit	49	761,070	760,023
2031	U.G. Conductors & Devices	50	31,892,481	31,239,842
2032	Subtotal - U.G. Lines	CAT07	32,653,551	31,999,865
2033	Line Transformers	51	23,330,521	22,410,389
2034	Services	52	16,767,709	16,338,907
2035	Meters	53	8,688,805	8,533,969
2036	Installations on Cust. Premises	54	1,506,372	1,435,786
2037	Street Lighting and Signal Systems	55	1,346,020	1,294,308
	Subtotal - Equipment	CAT08	51,639,426	50,013,359
2038	Subtotal - Dist. Plant	TOTAL04	207,686,636	186,567,739

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 4 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
2039	Unclassified Dist. Plant Plus Additions	24	14,852,069	14,554,748
2039	Total Unclassified Dist. Plant	CAT09	14,852,069	14,554,748
2040	Total Distribution Plant	TOTAL05	222,538,705	201,122,487
2041	Total Trans. and Dist. Plant	TOTAL06	297,446,070	212,572,108
2042	General Plant			
2043	Classified Plant	28	27,468,761	23,152,532
2043.1	Unclassified General Plant	28	9,731,294	8,202,193
2043.2	Transmission - Classified Plant	67	2,744,463	-
2044	Plant Acquisition Adj	2	4,870,308	4,257,214
2045	Total General Plant	CAT10	44,814,826	35,611,939
2046	Total Plant in Service	TOTAL07	672,498,007	536,849,570
2046.1	Total Plant in Service-Excluding Transmission	TOTAL07.1	601,119,654	536,849,570
2047	Accumulated Depreciation			
2048	Production	12	142,355,887	124,435,551
2049	Transmission	13	12,133,623	11,363,778
2049.1	Transmission - CUS/AC-DC Tie	67	25,255,795	-
2050	Distribution	14	58,223,488	54,066,302
2051	General	15	12,363,600	10,465,605
2052	Total Accumulated Depreciation	CAT11	250,332,393	200,331,235
2053	Net Plant	TOTAL08	422,165,614	336,518,335
2054	Accum amortized Wyodak & Rushmore Acquisition Adj.	2	2,144,893	1,874,885
2054	Accum amortized Wyodak & Rushmore Acquisition Adj.	CAT12	2,144,893	1,874,885
2055	Working Capital			
2056	Cash Working Capital Allowance	28	1,749,268	1,474,402
2057	Materials and Supplies	56	9,053,452	8,085,482
2058	Prepayments	56	1,484,898	1,326,137
2058.1	Transmission - Working Capital	67	2,087,295	-
2059	Fuel Stocks	1	4,270,821	3,404,492
2060	Total Working Capital	CAT13	18,645,734	14,290,513
2061	Other Rate Base Deductions	12	71,952,400	62,894,740
2061.1	Transmission Rate Base Deductions	67	7,818,214	-
2061.2	Transmission Rate Base Deductions	67	2,058,015	-
2061	Total Other Rate Base Deductions	CAT14	81,828,629	62,894,740
2062	Total Rate Base	TOTAL09	356,837,826	286,039,222
3001 Operation and Maintenance Expense				
3002 Production Expense				
3003	Operation			
3004	Steam Power Generation			
3005	Fuel	1	13,874,488	11,060,073
3006	Rents	2	-	-
3007	Other	2	-	-
3008	Other Power Generation			

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 5 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
3009	Fuel	1	1,289,144	1,027,644
3010	Other	2	-	-
3011	Other Power Supply			
3012	Purchased Power - Capacity	2	6,119,576	5,349,219
3013	Purchased Power - Energy	1	16,692,686	13,306,605
3014	System Cont. & Load Dispatch	2	-	-
3015	Total Production Operation	CAT15	37,975,894	30,743,541
3016	Maintenance			
3017	Steam Power Generation	1	11,947,241	9,523,765
3018	Other Power Generation	2	797,363	696,988
3019	Total Production Maintenance	CAT16	12,744,604	10,220,753
3020	Total Production O&M	TOTAL10	50,720,498	40,964,294
3021	Transmission Expense			
3022	Operation			
3023	Load Dispatching	67	799,174	-
3024	Station Expenses	67	196,503	-
3025	Overhead Line Expenses	65	74,121	36,250
3026	Transmission Expense	3	9,701,134	9,085,625
3027	Subtotal Trans. Operation	CAT17	10,770,933	9,121,875
3028	Supervision and Engineering	65	385,645	188,607
3029	Misc. Trans. Expenses	65	202,716	99,142
3030	Rents	3	-	-
3031	Total Transmission Operation	CAT18	11,359,294	9,409,623
3032	Maintenance			
3033	Structures	20	-	-
3034	Station Equipment	65	90,072	44,051
3035	Overhead Lines	65	148,296	72,527
3036	Underground Lines	19	-	-
3037	Subtotal Trans. Maintenance	CAT19	238,368	116,578
3038	Supervision and Engineering	65	28,454	13,916
3039	Misc. Trans. Plant	30	-	-
3040	Total Transmission Maint.	CAT20	266,822	130,494
3041	Total Transmission O&M	TOTAL11	11,626,116	9,540,117
3042	Distribution Expense			
3043	Operation			
3044	Load Dispatching	4	78,313	78,313
3045	Station Expenses	46	380,858	308,330
3046	Overhead Line Expenses	47	782,612	734,810
3047	Transformer Setting	51	-	-
3048	Underground Line Expenses	24	232,241	227,592
3049	Street Lighting and Sig. Exp.	10	1,096	1,032
3050	Meter Expenses	6	543,235	521,356
3051	Cust. Install. Expenses	6	38,995	37,424
3052	Subtotal Dist. Operation	CAT21	2,057,350	1,908,858
3053	Supervision and Operation	31	636,500	590,560
3054	Misc. Dist. Expenses	31	446,117	413,918

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 6 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
3055	Rents	31	24,822	23,030
3056	Upton, Wyoming Rents	38	-	-
<hr/>				
3057	Total Distribution Operation	CAT22	3,164,788	2,936,365
<hr/>				
3058	Maintenance			
3059	Structures	45	-	-
3060	Station Equipment	46	48,279	39,085
3061	Overhead Lines	47	1,231,470	1,156,251
3062	Underground Lines	24	117,601	115,247
3063	Line Transformers	51	18,126	17,411
3064	Street Light. & Signal System	55	116,734	112,249
3065	Meters	6	44,409	42,621
3066	Misc. Dist. Plant	14	37,380	34,711
<hr/>				
3067	Subtotal Dist. Maintenance	CAT23	1,613,998	1,517,574
3068	Supervision and Engineering	31	21,612	20,052
<hr/>				
3069	Total Distribution Maintenance	CAT24	1,635,610	1,537,626
<hr/>				
3070	Total Distribution O&M	TOTAL12	4,800,398	4,473,992
<hr/>				
3071	Total Trans. & Dist. O&M	TOTAL13	16,426,514	14,014,109
<hr/>				
3072	Computer Services			
3073	Computer Services	9	-	-
3074	Customer Accounts	9	-	-
3075	Accounts 901 Through 905	39	1,828,747	1,574,556
<hr/>				
3076	Total Comp. Exp. & Cust. Acct.	CAT25	1,828,747	1,574,556
<hr/>				
3077	Customer Service & Information			
3078	Accounts 907 Through 910	39	929,310	800,138
3079	So. Dakota Economic Development	37	-	-
<hr/>				
3080	Total Customer Service and Info.	CAT26	929,310	800,138
<hr/>				
3081	Subtotal O&M Expense	TOTAL14	69,905,069	57,353,096
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3082	Supervised O&M Expense	TOTAL15	22,203,219	17,500,901
<hr/>				
3083	Administrative and General Exp.			
3084	Operation			
3085	Property Insurance	56	602,294	537,898
3086	Regulatory Comm. Exp.	39	297,625	256,256
3087	Other A&G Expense	28	17,638,547	14,866,961
3087.1	Other A&G Expense-Transmission	67	1,101,529	-
<hr/>				
3088	Total A&G Operation	CAT27	19,639,994	15,661,115
3089	Maintenance			
3090	General Plant	28	213,453	179,913
<hr/>				
3091	Total A&G Expenses	CAT28	19,853,447	15,841,028
<hr/>				
3092	Total O&M Expenses	TOTAL16	89,758,516	73,194,124
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3093	Total O&M Exp. Less Purch. Pwr.	TOTAL17	66,946,254	54,538,300
<hr/>				
3094	Total O&M Exp. Less P. P. & Fuel	TOTAL18	51,782,622	42,450,583
<hr/>				
3095	Amortization of Acquisition Adj.	2	151,404	132,345
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3095	Amortization of Acquisition Adj.	CAT29	151,404	132,345

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 7 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
3096	Depreciation Expense			
3097	Production	12	9,519,610	8,321,242
3098	Transmission	13	50,112	46,933
3098.1	Transmission-CUS	67	1,602,714	-
3099	Distribution	14	6,301,773	5,851,823
3100	General	15	2,280,143	1,930,108
3100.1	General-CUS	67	105,406	-
3101	Total Depreciation Expense	CAT30	19,859,758	16,150,106
3102 Taxes Other Than Income				
3103	Property Taxes	56	5,399,935	4,822,589
3103.1	Property Taxes-Transmission	67	621,162	-
3104	Nebraska Tax on Trans. Plant	13	-	-
3105	Payroll Taxes	28	1,345,566	1,134,134
3105.1	Payroll Taxes-Transmission	67	60,188	-
3106	Unemployment - Federal	28	-	-
3107	Unemployment - State	28	-	-
3108	Gross Receipts Tax	38	-	-
3109	Regulatory Comm. Taxes/Expenses	43	255,531	157,036
3110	Total Taxes Other Than Income	CAT31	7,682,383	6,113,759
3111	Total Oper. Exp. Before Inc. Tax	TOTAL19	117,452,061	95,590,333
4001 Other Operating Revenue				
4002	Acct. 450 - Forfeited Discounts	40	129,593	125,242
4003	Acct. 451 - Misc. Service Revenues	41	638,382	620,684
4004	Acct. 453 - Sales of Water	41	(1,926)	(1,872)
4005	Acct. 454 & 456 - Rent from Elec. Prop. & Other	2	4,223,350	3,691,698
4006	Revenue - Transmission System	67	9,914,070	-
4007	Total Other Operating Revenue	CAT32	14,903,470	4,435,751
5001 Return Under Existing Rates				
5002	Revenue from Firm Sales	39	117,045,519	100,776,454
5002.1	Revenue from Firm Sales-Unbilled	42	544,642	497,897
5002.2	Revenue from Other Non-Firm	1	0	0
5003	Revenue from Wholesale Contracts	1	16,576,350	13,213,868
5004	Other Operating Revenue		14,903,470	4,435,751
5005	Total Operating Revenue	CAT33	149,069,981	118,923,970
5006	Oper. Expense Before Income Tax	TOTAL19	117,452,061	95,590,333
5007	Oper. Income Before Income Tax	TOTAL20	31,617,920	23,333,637
5008 Federal Income Tax Calculation				
5009	Tax Adjustments			
5010	Interest Expense	17	12,313,399	9,870,352
5011	State Income Tax	36	(12,903)	-
5012	Other Tax Adjustments	16	(26,159)	(20,883)
5013	Total Tax Adjustments	CAT34	12,274,337	9,849,470
5014	Taxable Income	TOTAL21	19,343,583	13,484,167
5015	Federal Income Tax		6,770,254	4,719,459
5016	Deferred Federal Income Tax	16	(675,090)	(538,919)
5017	Less Inv. Tax Credit Amort.	16	(260,327)	(207,817)
5018	Total Federal Income Tax	CAT35	6,355,491	4,388,357

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 8 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
5019	State Income Tax	36	(12,903)	-
5019	State Income Tax	CAT36	(12,903)	-
5020	Total Operating Expense	TOTAL22	123,794,649	99,978,690
5021	Return to equity pretax	TOTAL23	25,275,332	18,945,280
5022	Rate Base	TOTAL09	356,837,826	286,039,222
5023	Rate of Return, Existing Rates		7.08%	6.62%
6001 Proposed Revenue Increase				
6002	Revenue Increase			
6003	Revenue Under Existing Rates		117,590,161	101,274,351
6004	Revenue Under Proposed Rates		132,648,865	115,368,842
6005	Proposed Revenue Increase		9,788,158	9,161,419
6006	Additional Revenue with Federal Income Tax		15,058,705	14,094,491
6007 Return Under Proposed Rates				
6008	Revenue from Firm Sales		132,648,865	115,368,842
6009	Revenue from Non-Firm Sales		0	0
6010	Revenue from Contract Sales		16,576,350	13,213,868
6011	Other Operating Revenue		14,903,470	4,435,751
6012	Total Operating Revenue		164,128,686	133,018,461
6013	Operation and Maintenance Expense		89,758,516	73,194,124
6014	Depreciation and Amortization Expense		20,011,162	16,282,450
6015	Taxes Other than Income Tax		7,682,383	6,113,759
6016	Federal Income Tax - Existing Rates		6,355,491	4,388,357
6017	Federal Income Tax - Additional		5,270,547	4,933,072
6018	State Income Tax		(12,903)	-
6019	Total Operating Expenses		129,065,196	104,911,762
6020	Return		35,063,490	28,106,699
6021	Rate Base		356,837,826	286,039,222
6022	Rate of Return, Proposed Rates		9.83%	9.83%
7001 Return Under Current Rates				
7002	Revenue from Firm Sales		117,590,161	101,274,351
7002	Revenue from Non-Firm Sales		0	0
7003	Revenue from Contract Sales		16,576,350	13,213,868
7004	Other Operating Revenue		14,903,470	4,435,751
7005	Total Operating Revenue		149,069,981	118,923,970
7006	Operation and Maintenance Expense		89,758,516	73,194,124
7007	Depreciation and Amortization Expense		20,011,162	16,282,450
7008	Taxes Other than Income Tax		7,682,383	6,113,759
7009	Federal Income Tax - Existing Rates		6,355,491	4,388,357
7010	State Income Tax		(12,903)	-
7011	Total Operating Expenses		123,794,649	99,978,690
7012	Return		25,275,332	18,945,280

BLACK HILLS POWER, INC.
ADJUSTED COST OF SERVICE ANALYSIS
For the Test Year Ended December 31, 2005

Schedule N-1
Page 9 of 9

Ref. #	Description	Allocation Factor	Total	South Dakota
7013	Rate Base		356,837,826	286,039,222
7014	Rate of Return, Current Rates		7.08%	6.62%
8001 Cost of Service and Revenue Deficiency				
8002	Rate Base		356,837,826	286,039,222
8003	Rate of Return		9.83%	9.83%
8004	Return		35,063,490	28,106,699
8005	Operation and Maintenance Expenses		89,758,516	73,194,124
8006	Depreciation and Amortization Expense		20,011,162	16,282,450
8007	Taxes Other than Income Tax		7,682,383	6,113,759
8008	Federal Income Tax - Existing Rates		6,355,491	4,388,357
8009	State Income Tax		(12,903)	-
8010	Total Cost of Service		158,858,139	128,085,389
8011	Less: Other Operating Revenue		14,903,470	4,435,751
8012	Less: Revenue from Non-Firm Sales		0	0
8013	Less: Revenue from Contract Sales		16,576,350	13,213,868
8014	Net Cost of Service		127,378,319	110,435,770
8015	Revenue Under Existing Rates		117,590,161	101,274,351
8016 Revenue Deficiency				
8017	Amount before tax adjustment		(9,788,158)	(9,161,419)
8018	Tax Adjusted Amount Needed		(15,058,705)	(14,094,491)
8019	Percent Increase/(Decrease)		12.81%	13.92%
	tax multiplier (1/(1-.35)) Federal Tax Rate at 35%		1.54	1.54