

Section O

20:10:13:98. Statement O – Allocated Cost of Service by South Dakota Customer Class. Statement O shall be provided with the initial application under this chapter for a rate increase greater than \$85,000, when a material change in rate structure is proposed, or when the commission so orders. Statement O shall compare the allocated cost of service provided pursuant to § 20:10:13:43 with the revenues under the proposed rates. If the amount of revenue under the proposed new rates differs significantly from allocated cost of service, including allowances for claimed return and income taxes, the filing public utility shall show the amounts available for return and taxes on income and shall show return expressed as a percentage of rate base allocated to the service concerned. If the filing public utility considers certain facilities as being devoted entirely to the service involved, it shall show, in addition to the overall cost of service, the cost of service related to such special facilities. The schedule described in § 20:10:13:100 shall be submitted as a part of statement O.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL [49-34A-4](#).

Law Implemented:SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
 Page 1 of 35

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|---------------------------------------|------------------|--------------------|---------------------|--------------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| M | 1 | SUMMARY AT PRESENT RATES | | | | | | | | |
| M | 2 | | | | | | | | | |
| M | 3 | DEVELOPMENT OF RETURN | | | | | | | | |
| M | 4 | | | | | | | | | |
| M | 5 | OPERATING REVENUE | | | | | | | | |
| | | <u>Stmt O Reference</u> | | | | | | | | |
| M | 6 | Sales of Electricity | SCH I, LN 4 | 138,472,112 | 53,463,066 | 45,981,255 | 37,131,743 | 1,896,049 | | |
| M | 7 | Contract Revenues | SCH I, LN 5 | 50,619,748 | 17,467,285 | 18,333,101 | 14,367,507 | 451,855 | | |
| M | 8 | Other Operating Revenue | SCH I, LN 15 | 14,492,540 | 5,639,701 | 5,182,882 | 3,397,651 | 272,305 | | |
| M | 9 | TOTAL OPERATING REVENUE | | 203,584,401 | 76,570,052 | 69,497,238 | 54,896,901 | 2,620,209 | | |
| M | 10 | | | | | | | | | |
| M | 11 | OPERATING EXPENSES | | | | | | | | |
| M | 12 | Operation and Maintenance Expense | SCH H, LN 178 | 136,315,212 | 51,393,500 | 43,229,760 | 40,212,662 | 1,479,290 | | |
| M | 13 | Depreciation Expense | SCH J, LN 27 | 22,696,010 | 8,404,757 | 8,197,330 | 5,782,721 | 311,202 | | |
| M | 14 | Amortization Expense | SCH J, LN 29 | 88,365 | 38,827 | 27,378 | 21,064 | 1,095 | | |
| M | 15 | Taxes Other Than Income Taxes | SCH L, LN 20 | 3,737,440 | 1,348,301 | 1,367,029 | 971,164 | 50,946 | | |
| M | 16 | State Income Tax | SCH K, LN 10 | 0 | 0 | 0 | 0 | 0 | | |
| M | 17 | Federal Income Tax | SCH K, LN 32 | 8,050,139 | 2,985,604 | 3,710,635 | 1,160,142 | 193,759 | | |
| M | 18 | TOTAL OPERATING EXPENSES | | 170,887,166 | 64,170,990 | 56,532,131 | 48,147,752 | 2,036,293 | | |
| M | 19 | | | | | | | | | |
| M | 20 | OPERATING INCOME (RETURN) | | 32,697,235 | 12,399,062 | 12,965,107 | 6,749,150 | 583,917 | | |
| M | 21 | | | | | | | | | |
| M | 22 | | | | | | | | | |
| M | 23 | DEVELOPMENT OF RATE BASE | | | | | | | | |
| M | 24 | Electric Plant in Service | SCH D-2, LN 116 | 788,110,937 | 286,723,245 | 287,914,394 | 202,709,169 | 10,764,130 | | |
| M | 25 | Less: Accumulated Depreciation | SCH E, LN 27 | 282,351,408 | 101,714,624 | 102,997,281 | 73,562,262 | 4,077,241 | | |
| M | 26 | Less: Amortization | SCH E, LN 29 | 2,711,805 | 935,759 | 982,142 | 769,697 | 24,207 | | |
| M | 27 | Plus: Working Capital | SCH F, LN 9 | 14,905,732 | 5,267,919 | 5,113,109 | 4,338,788 | 185,916 | | |
| M | 28 | Less: Other Rate Base Deductions | SCH F, LN 24 | 98,730,746 | 36,248,588 | 36,157,122 | 25,004,635 | 1,320,401 | | |
| M | 29 | | | | | | | | | |
| M | 30 | TOTAL RATE BASE | SCH F, LN 27 | 419,222,711 | 153,092,194 | 152,890,957 | 107,711,363 | 5,528,198 | | |
| M | 31 | | | | | | | | | |
| M | 32 | | | | | | | | | |
| M | 33 | RATE OF RETURN (PRESENT) | | 7.80% | 8.10% | 8.48% | 6.27% | 10.56% | | |
| M | 34 | | | | | | | | | |
| M | 35 | INDEX RATE OF RETURN (PRESENT) | | 1.00 | 1.04 | 1.09 | 0.80 | 1.35 | | |
| M | 36 | | | | | | | | | |
| M | 37 | | | | | | | | | |
| M | 38 | | | | | | | | | |
| M | 39 | | | | | | | | | |
| M | 40 | | | | | | | | | |
| M | 41 | | | | | | | | | |
| M | 42 | | | | | | | | | |
| M | 43 | | | | | | | | | |
| M | 44 | | | | | | | | | |
| M | 45 | | | | | | | | | |
| M | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-----------------------------------------------|-------------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| M | 47 | EQUALIZED RETURN AT PROPOSED ROR | | | | | | | | |
| M | 48 | | | | | | | | | |
| M | 49 | DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS) | | | | | | | | |
| M | 50 | | | | | | | | | |
| M | 51 | RATE BASE | | 419,222,711 | 153,092,194 | 152,890,957 | 107,711,363 | 5,528,198 | | |
| M | 52 | | | | | | | | | |
| M | 53 | RATE OF RETURN | | 8.54% | 8.54% | 8.54% | 8.54% | 8.54% | | |
| M | 54 | | | | | | | | | |
| M | 55 | RETURN (RATE BASE * ROR) | | 35,801,619 | 13,074,073 | 13,056,888 | 9,198,550 | 472,108 | | |
| M | 56 | | | | | | | | | |
| M | 57 | LESS: | | | | | | | | |
| M | 58 | OPERATING EXPENSES | <u>Stmt O Reference</u> | | | | | | | |
| M | 59 | Operation and Maintenance Expense | SCH M, LN 12 | 136,315,212 | 51,393,500 | 43,229,760 | 40,212,662 | 1,479,290 | | |
| M | 60 | Depreciation Expense | SCH M, LN 13 | 22,696,010 | 8,404,757 | 8,197,330 | 5,782,721 | 311,202 | | |
| M | 61 | Amortization Expense | SCH J, LN 29 | 88,365 | 38,827 | 27,378 | 21,064 | 1,095 | | |
| M | 62 | Taxes Other Than Income Taxes | SCH M, LN 15 | 3,737,440 | 1,348,301 | 1,367,029 | 971,164 | 50,946 | | |
| M | 63 | State Income Tax | CALCULATED | 0 | 0 | 0 | 0 | 0 | | |
| M | 64 | Federal Income Tax | CALCULATED | 9,721,850 | 3,349,098 | 3,760,059 | 2,479,144 | 133,550 | | |
| M | 65 | TOTAL OPERATING EXPENSES | | 172,558,877 | 64,534,484 | 56,581,556 | 49,466,754 | 1,976,084 | | |
| M | 66 | | | | | | | | | |
| M | 67 | EQUALS TOTAL COST OF SERVICE | | 208,360,497 | 77,608,557 | 69,638,443 | 58,665,305 | 2,448,192 | | |
| M | 68 | | | | | | | | | |
| M | 69 | LESS: | | | | | | | | |
| M | 70 | OTHER OPERATING REVENUES | | 65,112,288 | 23,106,986 | 23,515,983 | 17,765,159 | 724,161 | | |
| M | 71 | | | | | | | | | |
| M | 72 | EQUALS: | | | | | | | | |
| M | 73 | PROPOSED BASE RATE SALES @ EQUALIZED ROR | | 143,248,208 | 54,501,571 | 46,122,460 | 40,900,146 | 1,724,031 | | |
| M | 74 | | | | | | | | | |
| M | 75 | | | | | | | | | |
| M | 76 | TOTAL COST OF SERVICE INCREASE/DECREASE | | 4,776,096 | 1,038,505 | 141,205 | 3,768,403 | (172,018) | | |
| M | 77 | | | | | | | | | |
| M | 78 | | | | | | | | | |
| M | 79 | REVENUE INCREASE TO RETAIL REVENUES (%) | | 3.45% | 1.94% | 0.31% | 10.15% | -9.07% | | |
| M | 80 | | | | | | | | | |
| M | 81 | | | | | | | | | |
| M | 82 | | | | | | | | | |
| M | 83 | | | | | | | | | |
| M | 84 | | | | | | | | | |
| M | 85 | | | | | | | | | |
| M | 86 | | | | | | | | | |
| M | 87 | | | | | | | | | |
| M | 88 | | | | | | | | | |
| M | 89 | | | | | | | | | |
| M | 90 | | | | | | | | | |
| M | 91 | | | | | | | | | |
| M | 92 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) | |
|------------|-------------|------------------------------------|---------------------|--------------------------|------------------------|--------------------|-------------------------------------|---------------------|-----|-----|--|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | | |
| M | 93 | | | | | | | | | | |
| M | 94 | | | | | | | | | | |
| M | 95 | | | | | | | | | | |
| M | 96 | | | | | | | | | | |
| M | 97 | | | | | | | | | | |
| M | 98 | | | | | | | | | | |
| M | 99 | | | | | | | | | | |
| M | 100 | THIS PAGE INTENTIONALLY LEFT BLANK | | | | | | | | | |
| M | 101 | | | | | | | | | | |
| M | 102 | | | | | | | | | | |
| M | 103 | | | | | | | | | | |
| M | 104 | | | | | | | | | | |
| M | 105 | | | | | | | | | | |
| M | 106 | | | | | | | | | | |
| M | 107 | | | | | | | | | | |
| M | 108 | | | | | | | | | | |
| M | 109 | | | | | | | | | | |
| M | 110 | | | | | | | | | | |
| M | 111 | | | | | | | | | | |
| M | 112 | | | | | | | | | | |
| M | 113 | | | | | | | | | | |
| M | 114 | | | | | | | | | | |
| M | 115 | | | | | | | | | | |
| M | 116 | | | | | | | | | | |
| M | 117 | | | | | | | | | | |
| M | 118 | | | | | | | | | | |
| M | 119 | | | | | | | | | | |
| M | 120 | | | | | | | | | | |
| M | 121 | | | | | | | | | | |
| M | 122 | | | | | | | | | | |
| M | 123 | | | | | | | | | | |
| M | 124 | | | | | | | | | | |
| M | 125 | | | | | | | | | | |
| M | 126 | | | | | | | | | | |
| M | 127 | | | | | | | | | | |
| M | 128 | | | | | | | | | | |
| M | 129 | | | | | | | | | | |
| M | 130 | | | | | | | | | | |
| M | 131 | | | | | | | | | | |
| M | 132 | | | | | | | | | | |
| M | 133 | | | | | | | | | | |
| M | 134 | | | | | | | | | | |
| M | 135 | | | | | | | | | | |
| M | 136 | | | | | | | | | | |
| M | 137 | | | | | | | | | | |
| M | 138 | | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-----------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| D-2 | 1 | DEVELOPMENT OF RATE BASE | | | | | | | | |
| D-2 | 2 | | | | | | | | | |
| D-2 | 3 | ELECTRIC PLANT IN SERVICE | | | | | | | | |
| D-2 | 4 | | | | | | | | | |
| D-2 | 5 | PRODUCTION PLANT | | | | | | | | |
| D-2 | 6 | Steam Plant | | | | | | | | |
| D-2 | 7 | 310-Land & Land Rights | DPROD | 298,219 | 102,906 | 108,007 | 84,644 | 2,662 | | |
| D-2 | 8 | 311-Structures & Improve | DPROD | 35,900,261 | 12,388,053 | 13,002,102 | 10,189,645 | 320,462 | | |
| D-2 | 9 | 312-Boiler Plant Equipment | DPROD | 205,067,382 | 70,762,312 | 74,269,847 | 58,204,697 | 1,830,526 | | |
| D-2 | 10 | 313-Engines and Engine Driver Generator | DPROD | 303,676 | 104,789 | 109,983 | 86,193 | 2,711 | | |
| D-2 | 11 | 314-Turbogenerator Units | DPROD | 109,700,305 | 37,854,129 | 39,730,477 | 31,136,463 | 979,235 | | |
| D-2 | 12 | 315-Accessory Electric Equipment | DPROD | 20,290,941 | 7,001,766 | 7,348,829 | 5,759,219 | 181,126 | | |
| D-2 | 13 | 316-Misc Power Plant Equipment | DPROD | 3,278,726 | 1,131,385 | 1,187,466 | 930,608 | 29,267 | | |
| D-2 | 14 | 106-Completed Not Classified Production Plant | DPROD | 14,946,119 | 5,157,436 | 5,413,079 | 4,242,188 | 133,416 | | |
| D-2 | 15 | Steam Plant Additions/Annualization | DPROD | 0 | 0 | 0 | 0 | 0 | | |
| D-2 | 16 | Total Steam Plant | | 389,785,629 | 134,502,777 | 141,169,789 | 110,633,658 | 3,479,406 | | |
| D-2 | 17 | | | | | | | | | |
| D-2 | 18 | | | | | | | | | |
| D-2 | 19 | Other Production Plant | | | | | | | | |
| D-2 | 20 | 340-Land & Land Rights | DPROD | 2,417 | 834 | 875 | 686 | 22 | | |
| D-2 | 21 | 341-Structures and Improvements | DPROD | 460,708 | 158,976 | 166,856 | 130,764 | 4,112 | | |
| D-2 | 22 | 342-Fuel Holders, Producers, & Access | DPROD | 4,574,791 | 1,578,617 | 1,656,865 | 1,298,472 | 40,837 | | |
| D-2 | 23 | 344-Generators | DPROD | 61,461,516 | 21,208,439 | 22,259,695 | 17,444,749 | 548,634 | | |
| D-2 | 24 | 345-Accessory Electric Equipment | DPROD | 4,342,832 | 1,498,575 | 1,572,856 | 1,232,635 | 38,766 | | |
| D-2 | 25 | 346-Misc Power Plant Equipment | DPROD | 74,055 | 25,554 | 26,821 | 21,019 | 661 | | |
| D-2 | 26 | 106-Completed Not Classified Oth Prod Plt | DPROD | 445,558 | 153,748 | 161,369 | 126,464 | 3,977 | | |
| D-2 | 27 | Other Prod Plant Additions/Annualization | DPROD | 0 | 0 | 0 | 0 | 0 | | |
| D-2 | 28 | Total Other Production Plant | | 71,231,438 | 24,624,743 | 25,845,338 | 20,128,325 | 633,032 | | |
| D-2 | 29 | | | | | | | | | |
| D-2 | 30 | TOTAL PRODUCTION PLANT | | 461,147,508 | 159,127,519 | 167,015,127 | 130,888,447 | 4,116,414 | | |
| D-2 | 31 | | | | | | | | | |
| D-2 | 32 | | | | | | | | | |
| D-2 | 33 | TRANSMISSION PLANT | | | | | | | | |
| D-2 | 34 | 350-Land & Land Rights | DTRAN | 558,204 | 192,846 | 209,458 | 150,995 | 4,905 | | |
| D-2 | 35 | 352-Structures & Improvements | DTRAN | 946,817 | 327,102 | 355,279 | 256,116 | 8,320 | | |
| D-2 | 36 | 353-Station Equipment | DTRAN | 821,071 | 283,660 | 308,095 | 222,102 | 7,215 | | |
| D-2 | 37 | 354-Tower and Fixtures | DTRAN | 363,066 | 125,431 | 136,235 | 98,210 | 3,190 | | |
| D-2 | 38 | 355-Poles & Fixtures | DTRAN | 217,875 | 75,270 | 81,754 | 58,936 | 1,915 | | |
| D-2 | 39 | 356-Overhead Conductors & Devices | DTRAN | 991,295 | 342,468 | 371,968 | 268,147 | 8,711 | | |
| D-2 | 40 | 359-Roads and Trails | DTRAN | 6,311 | 2,180 | 2,368 | 1,707 | 55 | | |
| D-2 | 41 | 106-Completed Not Classified Transmission Plt | DTRAN | 0 | 0 | 0 | 0 | 0 | | |
| D-2 | 42 | Transmission Plant Additions/Annualization | DTRAN | 0 | 0 | 0 | 0 | 0 | | |
| D-2 | 43 | TOTAL TRANSMISSION PLANT | | 3,904,640 | 1,348,958 | 1,465,157 | 1,056,213 | 34,312 | | |
| D-2 | 44 | | | | | | | | | |
| D-2 | 45 | | | | | | | | | |
| D-2 | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|---------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| D-2 | 47 | ELECTRIC PLANT IN SERVICE CONTINUED | | | | | | | | |
| D-2 | 48 | | | | | | | | | |
| D-2 | 49 | DISTRIBUTION PLANT | | | | | | | | |
| D-2 | 50 | 360-Land & Land Rights | DDISPSUB | 1,552,057 | 536,198 | 582,386 | 419,835 | 13,639 | | |
| D-2 | 51 | 361-Structures & Improvements | DDISPSUB | 246,766 | 85,252 | 92,595 | 66,751 | 2,168 | | |
| D-2 | 52 | 362-Station Equipment | DDISPSUB | 45,100,101 | 15,580,987 | 16,923,133 | 12,199,669 | 396,312 | | |
| D-2 | 53 | 364-Poles, Towers & Fixtures | | | | | | | | |
| D-2 | 54 | Primary - Demand | DDISTPOL | 46,713,282 | 16,138,302 | 17,528,455 | 12,636,037 | 410,488 | | |
| D-2 | 55 | Secondary - Demand | DDISTSOL | 12,350,167 | 4,921,517 | 5,345,456 | 1,958,013 | 125,182 | | |
| D-2 | 56 | Total Account 364 | | 59,063,449 | 21,059,818 | 22,873,911 | 14,594,050 | 535,670 | | |
| D-2 | 57 | 365-Overhead Conductors & Devices | | | | | | | | |
| D-2 | 58 | Primary - Demand | DDISTPOL | 30,942,154 | 10,689,761 | 11,610,577 | 8,369,915 | 271,901 | | |
| D-2 | 59 | Secondary - Demand | DDISTSOL | 5,311,102 | 2,116,463 | 2,298,776 | 842,029 | 53,834 | | |
| D-2 | 60 | Total Account 365 | | 36,253,256 | 12,806,224 | 13,909,352 | 9,211,945 | 325,735 | | |
| D-2 | 61 | 366-Underground Conduit | | | | | | | | |
| D-2 | 62 | Primary - Demand | DDISTPUL | 2,088,264 | 721,445 | 783,590 | 564,880 | 18,350 | | |
| D-2 | 63 | Secondary - Demand | DDISTSUL | 1,429,109 | 569,497 | 618,553 | 226,573 | 14,486 | | |
| D-2 | 64 | Total Account 366 | | 3,517,373 | 1,290,941 | 1,402,143 | 791,453 | 32,836 | | |
| D-2 | 65 | 367-Underground Conductors & Devices | | | | | | | | |
| D-2 | 66 | Primary - Demand | DDISTPUL | 19,338,906 | 6,681,121 | 7,256,633 | 5,231,213 | 169,939 | | |
| D-2 | 67 | Secondary - Demand | DDISTSUL | 18,432,395 | 7,345,272 | 7,977,994 | 2,922,297 | 186,832 | | |
| D-2 | 68 | Total Account 367 | | 37,771,301 | 14,026,393 | 15,234,627 | 8,153,511 | 356,770 | | |
| D-2 | 69 | 368-Line Transformers | | | | | | | | |
| D-2 | 70 | Demand | DDISTSUT | 31,204,759 | 12,435,033 | 13,506,187 | 4,947,246 | 316,293 | | |
| D-2 | 71 | Total Account 368 | | 31,204,759 | 12,435,033 | 13,506,187 | 4,947,246 | 316,293 | | |
| D-2 | 72 | 369-Services | CSERVICE | 26,665,348 | 14,483,764 | 9,790,576 | 2,391,008 | 0 | | |
| D-2 | 73 | 370-Meters | CMETERS | 2,825,893 | 2,025,733 | 632,542 | 162,631 | 4,987 | | |
| D-2 | 74 | 371-Installation on Customer Premises | CUSTPREM | 1,964,488 | 0 | 0 | 0 | 1,964,488 | | |
| D-2 | 75 | 373-Street Lighting & Signal Systems | CLIGHT | 1,617,886 | 0 | 0 | 0 | 1,617,886 | | |
| D-2 | 76 | 106 - Completed Not Classified Distribution Plant | DISTPLTXNC | 12,764,157 | 4,859,288 | 4,891,077 | 2,727,028 | 286,765 | | |
| D-2 | 77 | Distribution Plant Additions/Annualization | DISTPLTXNC | 0 | 0 | 0 | 0 | 0 | | |
| D-2 | 78 | TOTAL DISTRIBUTION PLANT | | 260,546,835 | 99,189,632 | 99,838,529 | 55,665,125 | 5,853,549 | | |
| D-2 | 79 | | | | | | | | | |
| D-2 | 80 | | | | | | | | | |
| D-2 | 81 | | | | | | | | | |
| D-2 | 82 | TOTAL PROD, TRANS, & DIST PLANT | | 725,598,983 | 259,666,110 | 268,318,814 | 187,609,784 | 10,004,275 | | |
| D-2 | 83 | | | | | | | | | |
| D-2 | 84 | | | | | | | | | |
| D-2 | 85 | | | | | | | | | |
| D-2 | 86 | | | | | | | | | |
| D-2 | 87 | | | | | | | | | |
| D-2 | 88 | | | | | | | | | |
| D-2 | 89 | | | | | | | | | |
| D-2 | 90 | | | | | | | | | |
| D-2 | 91 | | | | | | | | | |
| D-2 | 92 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|---------------------------------------------|------------------|--------------------|---------------------|--------------------|-------------------------------|-------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| D-2 | 93 | ELECTRIC PLANT IN SERVICE CONTINUED | | | | | | | | |
| D-2 | 94 | | | | | | | | | |
| D-2 | 95 | GENERAL PLANT | | | | | | | | |
| D-2 | 96 | 389-Land and Land Rights | SALWAGES | 653,835 | 287,294 | 202,574 | 155,861 | 8,106 | | |
| D-2 | 97 | 390-Structures and Improvements | SALWAGES | 8,987,303 | 3,949,012 | 2,784,487 | 2,142,387 | 111,415 | | |
| D-2 | 98 | 391-Office Furniture & Equipment | SALWAGES | 8,381,410 | 3,682,784 | 2,596,767 | 1,997,955 | 103,904 | | |
| D-2 | 99 | 392-Transportation Equipment | SALWAGES | 5,327,019 | 2,340,687 | 1,650,441 | 1,269,851 | 66,039 | | |
| D-2 | 100 | 393-Store Equipment | SALWAGES | 262,130 | 115,180 | 81,214 | 62,486 | 3,250 | | |
| D-2 | 101 | 394-Tools, Shop & Garage Equip. | SALWAGES | 3,640,555 | 1,599,657 | 1,127,934 | 867,833 | 45,132 | | |
| D-2 | 102 | 395-Laboratory Equipment | SALWAGES | 360,824 | 158,546 | 111,792 | 86,013 | 4,473 | | |
| D-2 | 103 | 396-Power Operated Equipment | SALWAGES | 521,007 | 228,930 | 161,421 | 124,197 | 6,459 | | |
| D-2 | 104 | 397-Communication Equipment | SALWAGES | 5,325,590 | 2,340,059 | 1,649,999 | 1,269,511 | 66,021 | | |
| D-2 | 105 | 398-Miscellaneous Equipment | SALWAGES | 216,713 | 95,223 | 67,143 | 51,660 | 2,687 | | |
| D-2 | 106 | Rate Case Expenses | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| D-2 | 107 | 106-Completed Not Classified General Plant | SALWAGES | 2,861,061 | 1,257,148 | 886,427 | 682,018 | 35,469 | | |
| D-2 | 108 | General Plant Additions/Annualization | SALWAGES | 0 | 0 | 0 | 0 | 0 | | |
| D-2 | 109 | TOTAL GENERAL PLANT | | 36,537,446 | 16,054,520 | 11,320,200 | 8,709,772 | 452,954 | | |
| D-2 | 110 | | | | | | | | | |
| D-2 | 111 | TOTAL OTHER UTILITY PLANT IN SERVICE | SALWAGES | 21,622,151 | 9,500,753 | 6,699,074 | 5,154,274 | 268,050 | | |
| D-2 | 112 | | | | | | | | | |
| D-2 | 113 | TOTAL PLANT ACQUISITION ADJUSTMENT | DPROD | 4,352,357 | 1,501,862 | 1,576,306 | 1,235,338 | 38,851 | | |
| D-2 | 114 | | | | | | | | | |
| D-2 | 115 | | | | | | | | | |
| D-2 | 116 | TOTAL ELECTRIC PLANT IN SERVICE | | 788,110,937 | 286,723,245 | 287,914,394 | 202,709,169 | 10,764,130 | | |
| D-2 | 117 | | | | | | | | | |
| D-2 | 118 | | | | | | | | | |
| D-2 | 119 | | | | | | | | | |
| D-2 | 120 | | | | | | | | | |
| D-2 | 121 | | | | | | | | | |
| D-2 | 122 | | | | | | | | | |
| D-2 | 123 | | | | | | | | | |
| D-2 | 124 | | | | | | | | | |
| D-2 | 125 | | | | | | | | | |
| D-2 | 126 | | | | | | | | | |
| D-2 | 127 | | | | | | | | | |
| D-2 | 128 | | | | | | | | | |
| D-2 | 129 | | | | | | | | | |
| D-2 | 130 | | | | | | | | | |
| D-2 | 131 | | | | | | | | | |
| D-2 | 132 | | | | | | | | | |
| D-2 | 133 | | | | | | | | | |
| D-2 | 134 | | | | | | | | | |
| D-2 | 135 | | | | | | | | | |
| D-2 | 136 | | | | | | | | | |
| D-2 | 138 | | | | | | | | | |
| D-2 | 139 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

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| SCH LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|--------------|----------------------------------------------------------|------------------|--------------------|---------------------|--------------------|-------------------------------|------------------|-----|-----|
| | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| E 1 | LESS: ACCUMULATED DEPRECIATION | | | | | | | | |
| E 2 | | | | | | | | | |
| E 3 | PRODUCTION PLANT ACCUMULATED DEPRECIAT | PRODPLT | 163,388,929 | 56,380,387 | 59,175,041 | 46,375,016 | 1,458,485 | | |
| E 4 | | | | | | | | | |
| E 5 | TRANSMISSION PLANT ACCUMULATED DEPRECIAT | TRANPLT | 1,352,855 | 467,379 | 507,639 | 365,950 | 11,888 | | |
| E 6 | | | | | | | | | |
| E 7 | DISTRIBUTION PLANT ACCUMULATED DEPRECIATION | | | | | | | | |
| E 8 | 360-Land & Land Rights | PLT_360 | (41,085) | (14,194) | (15,416) | (11,114) | (361) | | |
| E 9 | 361-Structures & Improvements | PLT_361 | 137,250 | 47,416 | 51,501 | 37,126 | 1,206 | | |
| E 10 | 362-Station Equipment | PLT_362 | 17,542,035 | 6,060,346 | 6,582,384 | 4,745,156 | 154,149 | | |
| E 11 | 364-Poles, Towers & Fixtures | PLT_364 | 21,942,526 | 7,823,885 | 8,497,834 | 5,421,802 | 199,006 | | |
| E 12 | 365-Overhead Conductors & Devices | PLT_365 | 13,239,153 | 4,676,644 | 5,079,490 | 3,364,066 | 118,953 | | |
| E 13 | 366-Underground Conduit | PLT_366 | 497,713 | 182,670 | 198,405 | 111,992 | 4,646 | | |
| E 14 | 367-Underground Conductors & Devices | PLT_367 | 13,426,762 | 4,986,035 | 5,415,532 | 2,898,371 | 126,823 | | |
| E 15 | 368-Line Transformers | PLT_368 | 11,576,246 | 4,613,111 | 5,010,484 | 1,835,314 | 117,337 | | |
| E 16 | 369-Services | PLT_369 | 8,816,608 | 4,788,900 | 3,237,148 | 790,561 | 0 | | |
| E 17 | 370-Meters | PLT_370 | (3,877,654) | (2,779,684) | (867,965) | (223,161) | (6,844) | | |
| E 18 | 371-Installation on Customer Premises | PLT_371 | 758,339 | 0 | 0 | 0 | 758,339 | | |
| E 19 | 373-Street Lighting & Signal Systems | PLT_373 | 733,822 | 0 | 0 | 0 | 733,822 | | |
| E 20 | Accum Dep Adjustment | DISTPLT | (749,473) | (285,323) | (287,189) | (160,123) | (16,838) | | |
| E 21 | TOTAL DISTRIBUTION PLANT ACCUMULATED DEPRECIATION | | 84,002,242 | 30,099,806 | 32,902,207 | 18,809,991 | 2,190,238 | | |
| E 22 | | | | | | | | | |
| E 23 | GENERAL PLANT ACCUMULATED DEPRECIATION | GENLPLT | 18,311,802 | 8,046,189 | 5,673,447 | 4,365,155 | 227,011 | | |
| E 24 | | | | | | | | | |
| E 25 | OTHER UTILITY DEPRECIATION ACCUM DEPRECIAT | SALWAGES | 15,295,580 | 6,720,864 | 4,738,947 | 3,646,150 | 189,619 | | |
| E 26 | | | | | | | | | |
| E 27 | TOTAL ACCUMULATED DEPRECIATION | | 282,351,408 | 101,714,624 | 102,997,281 | 73,562,262 | 4,077,241 | | |
| E 28 | | | | | | | | | |
| E 29 | AMORTIZATION OF PLANT ACQUISITION | PRODPLT | 2,711,805 | 935,759 | 982,142 | 769,697 | 24,207 | | |
| E 30 | | | | | | | | | |
| E 31 | NET ELECTRIC PLANT IN SERVICE | | 503,047,724 | 184,072,862 | 183,934,971 | 128,377,209 | 6,662,682 | | |
| E 32 | | | | | | | | | |
| E 33 | | | | | | | | | |
| E 34 | | | | | | | | | |
| E 35 | | | | | | | | | |
| E 36 | | | | | | | | | |
| E 37 | | | | | | | | | |
| E 38 | | | | | | | | | |
| E 39 | | | | | | | | | |
| E 40 | | | | | | | | | |
| E 41 | | | | | | | | | |
| E 42 | | | | | | | | | |
| E 43 | | | | | | | | | |
| E 44 | | | | | | | | | |
| E 45 | | | | | | | | | |
| E 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
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| SCH LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|--------------|----------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| F 1 | ADDITIONS AND DEDUCTIONS TO RATE BASE | | | | | | | | |
| F 2 | | | | | | | | | |
| F 3 | PLUS: ADDITIONS TO RATE BASE | | | | | | | | |
| F 4 | WORKING CAPITAL | | | | | | | | |
| F 5 | Cash Working Capital (Lead Lag) | SCH F-3, LN 40 | (3,575,874) | (1,350,192) | (1,173,998) | (1,009,775) | (41,908) | | |
| F 6 | Fuel Inventory | ENEFUEL | 5,825,064 | 1,998,000 | 1,686,815 | 2,083,793 | 56,456 | | |
| F 7 | Materials and Supplies | TOTPLT | 12,036,454 | 4,378,991 | 4,397,183 | 3,095,883 | 164,396 | | |
| F 8 | Prepayments | OMXFPP | 620,089 | 241,120 | 203,109 | 168,887 | 6,973 | | |
| F 9 | TOTAL WORKING CAPITAL | | 14,905,732 | 5,267,919 | 5,113,109 | 4,338,788 | 185,916 | | |
| F 10 | | | | | | | | | |
| F 11 | LESS: DEDUCTIONS TO RATE BASE | | | | | | | | |
| F 12 | Customer Advances for Construction | CUSTADV | 2,190,735 | 1,392,705 | 798,030 | 0 | 0 | | |
| F 13 | Regulatory Assets - S&W Related | SALWAGES | (21,276,884) | (9,349,043) | (6,592,102) | (5,071,969) | (263,769) | | |
| F 14 | Regulatory Assets - Plant Related | TOTPLT | (7,902,392) | (2,874,975) | (2,886,919) | (2,032,566) | (107,932) | | |
| F 15 | Regulatory Liabilities - S&W Related | SALWAGES | 34,587,506 | 15,197,718 | 10,716,060 | 8,244,947 | 428,781 | | |
| F 16 | Regulatory Liabilities - Plant Related | TOTPLT | 766,514 | 278,866 | 280,025 | 197,154 | 10,469 | | |
| F 17 | Deferred Income Taxes and Credits | | | | | | | | |
| F 18 | Deferred Income Tax - Property (Debit) | TOTPLT | (22,117,752) | (8,046,676) | (8,080,105) | (5,688,883) | (302,087) | | |
| F 19 | Deferred Income Tax - S&W (Debit) | SALWAGES | (15,368,992) | (6,753,121) | (4,761,692) | (3,663,650) | (190,529) | | |
| F 20 | Deferred Income Tax - Customer (Debit) | CUST | (741,211) | (597,060) | (135,117) | (1,771) | (7,262) | | |
| F 21 | Deferred Income Tax - Property (Credit) | TOTPLT | 125,728,028 | 45,741,210 | 45,931,235 | 32,338,371 | 1,717,211 | | |
| F 22 | Deferred Income Tax - Other (Credit) | SALWAGES | 2,865,194 | 1,258,964 | 887,708 | 683,003 | 35,520 | | |
| F 23 | Total Deferred Income Taxes and Credits | | 90,365,267 | 31,603,317 | 33,842,029 | 23,667,069 | 1,252,852 | | |
| F 24 | TOTAL DEDUCTIONS TO RATE BASE | | 98,730,746 | 36,248,588 | 36,157,122 | 25,004,635 | 1,320,401 | | |
| F 25 | | | | | | | | | |
| F 26 | | | | | | | | | |
| F 27 | TOTAL RATE BASE | | 419,222,711 | 153,092,194 | 152,890,957 | 107,711,363 | 5,528,198 | | |
| F 28 | | | | | | | | | |
| F 29 | | | | | | | | | |
| F 30 | | | | | | | | | |
| F 31 | | | | | | | | | |
| F 32 | | | | | | | | | |
| F 33 | | | | | | | | | |
| F 34 | | | | | | | | | |
| F 35 | | | | | | | | | |
| F 36 | | | | | | | | | |
| F 37 | | | | | | | | | |
| F 38 | | | | | | | | | |
| F 39 | | | | | | | | | |
| F 40 | | | | | | | | | |
| F 41 | | | | | | | | | |
| F 42 | | | | | | | | | |
| F 43 | | | | | | | | | |
| F 44 | | | | | | | | | |
| F 45 | | | | | | | | | |
| F 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

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 Cost of Service Study
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-------------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| F-3 | 1 | CASH WORKING CAPITAL (LEAD LAG) | | | | | | | | |
| F-3 | 2 | | | | | | | | | |
| F-3 | 3 | O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL | | | | | | | | |
| F-3 | 4 | Purchased Fuel (Coal, Gas, & Oil) | ENEFUEL | 50,104 | 17,186 | 14,509 | 17,924 | 486 | | |
| F-3 | 5 | Coal Transportation | ENEFUEL | 3,136 | 1,076 | 908 | 1,122 | 30 | | |
| F-3 | 6 | Natural Gas - Other Production | ENEFUEL | 4,910 | 1,684 | 1,422 | 1,756 | 48 | | |
| F-3 | 7 | Purchased Power | OX_555 | 115,886 | 39,786 | 34,848 | 40,143 | 1,110 | | |
| F-3 | 8 | Transmission | TRANPLT | 46,456 | 16,049 | 17,432 | 12,566 | 408 | | |
| F-3 | 9 | Labor | SALWAGES | 28,191 | 12,387 | 8,734 | 6,720 | 349 | | |
| F-3 | 10 | Employee Benefits | SALWAGES | 1,471 | 646 | 456 | 351 | 18 | | |
| F-3 | 11 | Service Company Charges | SALWAGES | 70,173 | 30,834 | 21,741 | 16,728 | 870 | | |
| F-3 | 12 | Other O&M | OMXFPP | 56,100 | 21,814 | 18,375 | 15,279 | 631 | | |
| F-3 | 13 | Wyodak Power Plant O&M | PRODPLT | 8,959 | 3,091 | 3,245 | 2,543 | 80 | | |
| F-3 | 14 | TOTAL O&M | | 385,386 | 144,554 | 121,670 | 115,132 | 4,030 | | |
| F-3 | 15 | | | | | | | | | |
| F-3 | 16 | TAXES OTHER THAN INCOME TAXES | | | | | | | | |
| F-3 | 17 | Property Taxes | TOTPLT | 16,825 | 6,121 | 6,147 | 4,328 | 230 | | |
| F-3 | 18 | Unemployment Taxes (FUTA & SUTA) | SALWAGES | 285 | 125 | 88 | 68 | 4 | | |
| F-3 | 19 | Montana Electric Energy | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| F-3 | 20 | Wyoming Franchise Tax | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| F-3 | 21 | South Dakota PUC | CLAIMREV | 592 | 225 | 191 | 169 | 7 | | |
| F-3 | 22 | Wyoming PSC | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| F-3 | 23 | FICA Taxes - Employer's | SALWAGES | 7,252 | 3,187 | 2,247 | 1,729 | 90 | | |
| F-3 | 24 | TOTAL TAXES OTHER THAN INCOME TAXES | | 24,954 | 9,658 | 8,672 | 6,293 | 330 | | |
| F-3 | 25 | | | | | | | | | |
| F-3 | 26 | Depreciation Expense | TOTPLT | 134,064 | 48,774 | 48,977 | 34,482 | 1,831 | | |
| F-3 | 27 | Amortization Expense | PRODPLT | 238 | 82 | 86 | 68 | 2 | | |
| F-3 | 28 | TOTAL DEPRECIATION/AMORTIZATION | | 134,302 | 48,856 | 49,063 | 34,550 | 1,833 | | |
| F-3 | 29 | | | | | | | | | |
| F-3 | 30 | FEDERAL INCOME TAXES | CLAIMREV | 32,700 | 12,441 | 10,529 | 9,337 | 394 | | |
| F-3 | 31 | | | | | | | | | |
| F-3 | 32 | INTEREST EXPENSE | TOTPLT | 44,948 | 16,352 | 16,420 | 11,561 | 614 | | |
| F-3 | 33 | | | | | | | | | |
| F-3 | 34 | GRAND TOTAL | | 622,290 | 231,862 | 206,355 | 176,873 | 7,201 | | |
| F-3 | 35 | | | | | | | | | |
| F-3 | 36 | CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG) | | (2,563,836) | (955,271) | (850,182) | (728,715) | (29,668) | | |
| F-3 | 37 | | | | | | | | | |
| F-3 | 38 | LESS: TAX COLLECTIONS AVAILABLE | | (1,012,038) | (394,921) | (323,816) | (281,060) | (12,241) | | |
| F-3 | 39 | | | | | | | | | |
| F-3 | 40 | NET CASH WORKING CAPITAL REQUIREMENT | | (3,575,874) | (1,350,192) | (1,173,998) | (1,009,775) | (41,908) | | |
| F-3 | 41 | | | | | | | | | |
| F-3 | 42 | | | | | | | | | |
| F-3 | 43 | | | | | | | | | |
| F-3 | 44 | | | | | | | | | |
| F-3 | 45 | | | | | | | | | |
| F-3 | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|--------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| F-3 | 1 | | | | | | | | | |
| F-3 | 2 | CASH WORKING CAPITAL (LEAD LAG) CONTINUED | | | | | | | | |
| F-3 | 3 | | | | | | | | | |
| F-3 | 4 | <u>LAG/LEAD DAYS</u> | | | | | | | | |
| F-3 | 5 | REVENUE LAG DAYS | | 37.96 | | | | | | |
| F-3 | 6 | EXPENSE LEAD DAYS | | 42.08 | | | | | | |
| F-3 | 7 | NET DAYS | | (4.12) | | | | | | |
| F-3 | 8 | | | | | | | | | |
| F-3 | 9 | TAX COLLECTIONS AVAILABLE | | | | | | | | |
| F-3 | 10 | FICA Taxes (Employee Contribution) | SALWAGES | (49,056) | (21,555) | (15,199) | (11,694) | (608) | | |
| F-3 | 11 | Federal Withholding Tax | SALWAGES | (118,455) | (52,049) | (36,700) | (28,237) | (1,468) | | |
| F-3 | 12 | South Dakota Sales and Use Tax | CLAIMREV | (844,528) | (321,317) | (271,918) | (241,129) | (10,164) | | |
| F-3 | 13 | Wyoming Sales and Use Tax | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| F-3 | 14 | TOTAL TAX COLLECTIONS AVAILABLE | | (1,012,038) | (394,921) | (323,816) | (281,060) | (12,241) | | |
| F-3 | 15 | | | | | | | | | |
| F-3 | 16 | | | | | | | | | |
| F-3 | 17 | | | | | | | | | |
| F-3 | 18 | | | | | | | | | |
| F-3 | 19 | | | | | | | | | |
| F-3 | 20 | | | | | | | | | |
| F-3 | 21 | | | | | | | | | |
| F-3 | 22 | | | | | | | | | |
| F-3 | 23 | | | | | | | | | |
| F-3 | 24 | | | | | | | | | |
| F-3 | 25 | | | | | | | | | |
| F-3 | 26 | | | | | | | | | |
| F-3 | 27 | | | | | | | | | |
| F-3 | 28 | | | | | | | | | |
| F-3 | 29 | | | | | | | | | |
| F-3 | 30 | | | | | | | | | |
| F-3 | 31 | | | | | | | | | |
| F-3 | 32 | | | | | | | | | |
| F-3 | 33 | | | | | | | | | |
| F-3 | 34 | | | | | | | | | |
| F-3 | 35 | | | | | | | | | |
| F-3 | 36 | | | | | | | | | |
| F-3 | 37 | | | | | | | | | |
| F-3 | 38 | | | | | | | | | |
| F-3 | 39 | | | | | | | | | |
| F-3 | 40 | | | | | | | | | |
| F-3 | 41 | | | | | | | | | |
| F-3 | 42 | | | | | | | | | |
| F-3 | 43 | | | | | | | | | |
| F-3 | 44 | | | | | | | | | |
| F-3 | 45 | | | | | | | | | |
| F-3 | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|--------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| | 1 | OPERATING REVENUES | | | | | | | | |
| | 2 | | | | | | | | | |
| | 3 | SALES REVENUES | | | | | | | | |
| | 4 | Sales of Electricity Revenues | | 138,472,112 | 53,463,066 | 45,981,255 | 37,131,743 | 1,896,049 | | |
| | 5 | Contract Revenues | DPROD | 50,619,748 | 17,467,285 | 18,333,101 | 14,367,507 | 451,855 | | |
| | 6 | TOTAL SALES OF ELECTRICITY | | 189,091,860 | 70,930,351 | 64,314,355 | 51,499,250 | 2,347,904 | | |
| | 7 | | | | | | | | | |
| | 8 | OTHER OPERATING REVENUES | | | | | | | | |
| | 9 | Unbilled and Cost Adjustment Revenue | SALESREV | 6,604,628 | 2,549,999 | 2,193,143 | 1,771,052 | 90,435 | | |
| | 10 | Demand Side Management Revenue | SREVDSM | (784,521) | (340,470) | (255,505) | (179,995) | (8,551) | | |
| | 11 | 450-Forfeited Discounts | OX_904 | 251,449 | 228,476 | 19,359 | 768 | 2,846 | | |
| | 12 | 451-Miscellaneous Service Revenues | DISTPLT | 433,078 | 164,872 | 165,950 | 92,526 | 9,730 | | |
| | 13 | 454-Rent from Electric Property | TDPLT | 7,987,906 | 3,036,825 | 3,059,935 | 1,713,300 | 177,846 | | |
| | 14 | 456-Other Electric Revenues - Transmission | TRANPLT | 0 | 0 | 0 | 0 | 0 | | |
| | 15 | TOTAL OTHER OPERATING REV | | 14,492,540 | 5,639,701 | 5,182,882 | 3,397,651 | 272,305 | | |
| | 16 | | | | | | | | | |
| | 17 | TOTAL OPERATING REVENUES | | 203,584,401 | 76,570,052 | 69,497,238 | 54,896,901 | 2,620,209 | | |
| | 18 | | | | | | | | | |
| | 19 | | | | | | | | | |
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BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
 Page 12 of 35

| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|--------------------------------------------------|------------|------------|-------------|------------|------------|----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | DAKOTA | (d) | (e) | (h) | (i) | | |
| H | 1 | | | | | | | | | |
| H | 2 | OPERATION & MAINTENANCE EXPENSE | | | | | | | | |
| H | 3 | | | | | | | | | |
| H | 4 | | | | | | | | | |
| H | 5 | PRODUCTION EXPENSE | | | | | | | | |
| H | 6 | | | | | | | | | |
| H | 7 | Steam Production Operation | | | | | | | | |
| H | 8 | 500-Supervision & Engineering | SALWAGPO | 1,609,006 | 552,539 | 488,730 | 552,384 | 15,354 | | |
| H | 9 | 501-Fuel | ENEFUEL | 21,214,242 | 7,276,496 | 6,143,194 | 7,588,946 | 205,605 | | |
| H | 10 | 502-Steam Expense | DPROD | 3,275,273 | 1,130,194 | 1,186,215 | 929,627 | 29,237 | | |
| H | 11 | 505-Electric Expense | DPROD | 1,115,594 | 384,956 | 404,038 | 316,641 | 9,958 | | |
| H | 12 | 506-Miscellaneous Steam Power Expense | DPROD | 705,880 | 243,577 | 255,651 | 200,351 | 6,301 | | |
| H | 13 | 507-Rent | DPROD | 2,270,818 | 783,588 | 822,429 | 644,531 | 20,270 | | |
| H | 14 | 509-Allowances | DPROD | 27 | 9 | 10 | 8 | 0 | | |
| H | 15 | Total Steam Production Operation | | 30,190,839 | 10,371,360 | 9,300,266 | 10,232,488 | 286,726 | | |
| H | 16 | | | | | | | | | |
| H | 17 | Steam Production Maintenance | | | | | | | | |
| H | 18 | 510-Supervision & Engineering | SALWAGPM | 1,538,412 | 530,858 | 557,171 | 436,651 | 13,733 | | |
| H | 19 | 511-Maintenance of Structures | DPROD | 733,660 | 253,163 | 265,712 | 208,236 | 6,549 | | |
| H | 20 | 512-Maintenance of Boilers | DPROD | 4,251,679 | 1,467,121 | 1,539,843 | 1,206,763 | 37,952 | | |
| H | 21 | 513-Maintenance of Electric Plant | DPROD | 781,987 | 269,839 | 283,214 | 221,953 | 6,980 | | |
| H | 22 | 514-Maintenance of Miscellaneous Steam Plant | DPROD | 183,890 | 63,455 | 66,600 | 52,194 | 1,641 | | |
| H | 23 | Total Steam Production Maintenance | | 7,489,627 | 2,584,435 | 2,712,540 | 2,125,796 | 66,856 | | |
| H | 24 | | | | | | | | | |
| H | 25 | Total Steam Production Expense | | 37,680,467 | 12,955,795 | 12,012,806 | 12,358,284 | 353,582 | | |
| H | 26 | | | | | | | | | |
| H | 27 | Other Production Operation | | | | | | | | |
| H | 28 | 546-Operation Supervision and Engineering | SALWAGPO | 187,687 | 64,453 | 57,009 | 64,434 | 1,791 | | |
| H | 29 | 547-Fuel | ENEFUEL | 1,792,326 | 614,769 | 519,020 | 641,167 | 17,371 | | |
| H | 30 | 548-Generation Expense | DPROD | 395,094 | 136,335 | 143,092 | 112,140 | 3,527 | | |
| H | 31 | 549-Miscellaneous Other Power Generation | DPROD | 86,807 | 29,955 | 31,439 | 24,639 | 775 | | |
| H | 32 | 550-Rents | DPROD | 105,498 | 36,404 | 38,209 | 29,944 | 942 | | |
| H | 33 | Total Other Production Operation | | 2,567,413 | 881,914 | 788,769 | 872,324 | 24,405 | | |
| H | 34 | | | | | | | | | |
| H | 35 | Other Production Maintenance | | | | | | | | |
| H | 36 | 551-Supervision & Engineering | SALWAGPM | 146,209 | 50,452 | 52,953 | 41,499 | 1,305 | | |
| H | 37 | 552-Structures | DPROD | 87,882 | 30,325 | 31,828 | 24,944 | 784 | | |
| H | 38 | 553-Maintenance of Generating and Electric Plant | DPROD | 1,757,952 | 606,614 | 636,683 | 498,963 | 15,692 | | |
| H | 39 | 554-Maintenance of Miscellaneous Other Power | DPROD | 176,711 | 60,977 | 64,000 | 50,156 | 1,577 | | |
| H | 40 | 556-System Control and Load Dispatching | DPROD | 1,082,830 | 373,651 | 392,172 | 307,342 | 9,666 | | |
| H | 41 | 556-System Control and Load Dispatching | DPROD | 21 | 7 | 8 | 6 | 0 | | |
| H | 42 | Total Other Production Maintenance | | 3,251,605 | 1,122,027 | 1,177,643 | 922,910 | 29,025 | | |
| H | 43 | | | | | | | | | |
| H | 44 | Total Other Production Expense | | 5,819,018 | 2,003,941 | 1,966,412 | 1,795,234 | 53,431 | | |
| H | 45 | | | | | | | | | |
| H | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
 Page 13 of 35

| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|------------------------------------------------------|------------|------------|-------------|------------|------------|----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | DAKOTA | (d) | (e) | (h) | (i) | | |
| H | 47 | OPERATION & MAINTENANCE EXPENSE CONTINUED | | | | | | | | |
| H | 48 | | | | | | | | | |
| H | 49 | | | | | | | | | |
| H | 50 | PRODUCTION EXPENSE (CONT.) | | | | | | | | |
| H | 51 | | | | | | | | | |
| H | 52 | Other Power Supply | | | | | | | | |
| H | 53 | 555 - Purchased Power - Energy | ENERGY1 | 35,811,927 | 12,283,510 | 10,370,374 | 12,810,958 | 347,084 | | |
| H | 54 | 555 - Purchased Power - Capacity | DPROD | 6,486,395 | 2,238,251 | 2,349,196 | 1,841,047 | 57,901 | | |
| H | 55 | Total Other Power Supply | | 42,298,322 | 14,521,761 | 12,719,571 | 14,652,005 | 404,984 | | |
| H | 56 | | | | | | | | | |
| H | 57 | TOTAL PRODUCTION EXPENSE | | 85,797,807 | 29,481,498 | 26,698,789 | 28,805,523 | 811,997 | | |
| H | 58 | | | | | | | | | |
| H | 59 | | | | | | | | | |
| H | 60 | TRANSMISSION EXPENSES | | | | | | | | |
| H | 61 | | | | | | | | | |
| H | 62 | Operation | | | | | | | | |
| H | 63 | 560-Supervision & Engineering | SALWAGTO | 246,323 | 85,099 | 92,429 | 66,631 | 2,165 | | |
| H | 64 | 561-Load Dispatch | TRANPLT | 0 | 0 | 0 | 0 | 0 | | |
| H | 65 | 562-Station Equipment | TRANPLT | 0 | 0 | 0 | 0 | 0 | | |
| H | 66 | 563-Overhead Lines | TRANPLT | 44,867 | 15,500 | 16,836 | 12,137 | 394 | | |
| H | 67 | 565-Transmission of Electricity by Others | TRANPLT | 16,956,354 | 5,858,007 | 6,362,616 | 4,586,728 | 149,002 | | |
| H | 68 | 566-Miscellaneous | TRANPLT | 47,715 | 16,484 | 17,904 | 12,907 | 419 | | |
| H | 69 | 567-Rents | TRANPLT | 0 | 0 | 0 | 0 | 0 | | |
| H | 70 | Total Transmission Operation | | 17,295,258 | 5,975,091 | 6,489,785 | 4,678,402 | 151,980 | | |
| H | 71 | | | | | | | | | |
| H | 72 | Maintenance | | | | | | | | |
| H | 73 | 568-Maintenance Supervision & Engineering | SALWAGTM | 0 | 0 | 0 | 0 | 0 | | |
| H | 74 | 569-Maintenance of Structures | TRANPLT | 0 | 0 | 0 | 0 | 0 | | |
| H | 75 | 570-Maintenance of Station Equipment | TRANPLT | 68,262 | 23,583 | 25,614 | 18,465 | 600 | | |
| H | 76 | 571-Maintenance of Overhead Lines | TRANPLT | 76,592 | 26,461 | 28,740 | 20,718 | 673 | | |
| H | 77 | 572-Maintenance of Underground Lines | TRANPLT | 0 | 0 | 0 | 0 | 0 | | |
| H | 78 | 573-Maint. of Miscellaneous Transmission Plant | TRANPLT | 0 | 0 | 0 | 0 | 0 | | |
| H | 79 | Total Transmission Maintenance | | 144,855 | 50,044 | 54,355 | 39,184 | 1,273 | | |
| H | 80 | | | | | | | | | |
| H | 81 | TOTAL TRANSMISSION EXPENSE | | 17,440,113 | 6,025,135 | 6,544,140 | 4,717,586 | 153,253 | | |
| H | 82 | | | | | | | | | |
| H | 83 | | | | | | | | | |
| H | 84 | | | | | | | | | |
| H | 85 | | | | | | | | | |
| H | 86 | | | | | | | | | |
| H | 87 | | | | | | | | | |
| H | 88 | | | | | | | | | |
| H | 89 | | | | | | | | | |
| H | 90 | | | | | | | | | |
| H | 91 | | | | | | | | | |
| H | 92 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|------------------------------------------------------|------------|-------------|-------------|------------|------------|-----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | DAKOTA | (d) | (e) | (h) | (i) | | |
| H | 93 | OPERATION & MAINTENANCE EXPENSE CONTINUED | | | | | | | | |
| H | 94 | | | | | | | | | |
| H | 95 | | | | | | | | | |
| H | 96 | DISTRIBUTION EXPENSES | | | | | | | | |
| H | 97 | Operation | | | | | | | | |
| H | 98 | 580-Supervision | SALWAGDO | 782,216 | 372,936 | 261,639 | 139,403 | 8,237 | | |
| H | 99 | 581-Load Dispatch | DISTPLT | 273,604 | 104,161 | 104,842 | 58,455 | 6,147 | | |
| H | 100 | 582-Station Equipment | PLT_362 | 371,904 | 128,484 | 139,551 | 100,601 | 3,268 | | |
| H | 101 | 583-Overhead Lines | OHDIST | 431,942 | 153,469 | 166,689 | 107,881 | 3,904 | | |
| H | 102 | 584-Underground Lines | UGDIST | 304,456 | 112,948 | 122,677 | 65,959 | 2,873 | | |
| H | 103 | 585-Street Lighting | PLT_3713 | 85 | 0 | 0 | 0 | 85 | | |
| H | 104 | 586-Metering | CMETERS | 833,288 | 597,340 | 186,521 | 47,956 | 1,471 | | |
| H | 105 | 587-Customer Installations | CMETERS | 27,646 | 19,818 | 6,188 | 1,591 | 49 | | |
| H | 106 | 588-Miscellaneous | DISTPLT | 469,586 | 178,770 | 179,940 | 100,326 | 10,550 | | |
| H | 107 | 589-Rents | DISTPLT | 18,192 | 6,926 | 6,971 | 3,887 | 409 | | |
| H | 108 | Total Distribution Operation | | 3,512,920 | 1,674,851 | 1,175,019 | 626,058 | 36,992 | | |
| H | 109 | | | | | | | | | |
| H | 110 | Maintenance | | | | | | | | |
| H | 111 | 590-Supervision | SALWAGDM | 1,469 | 513 | 538 | 343 | 75 | | |
| H | 112 | 591-Structures | DISTPLT | 0 | 0 | 0 | 0 | 0 | | |
| H | 113 | 592-Station Equipment | PLT_362 | 290,720 | 100,437 | 109,088 | 78,640 | 2,555 | | |
| H | 114 | 593-Overhead Lines | OHDIST | 2,414,985 | 858,045 | 931,957 | 603,159 | 21,825 | | |
| H | 115 | 594-Underground Lines | UGDIST | 187,239 | 69,462 | 75,446 | 40,564 | 1,767 | | |
| H | 116 | 595-Transformers | PLT_368 | 36,560 | 14,569 | 15,824 | 5,796 | 371 | | |
| H | 117 | 596-Street Lighting | PLT_3713 | 132,917 | 0 | 0 | 0 | 132,917 | | |
| H | 118 | 597-Metering | CMETERS | 71,085 | 50,957 | 15,911 | 4,091 | 125 | | |
| H | 119 | 598-Miscellaneous | DISTPLT | 20,153 | 7,672 | 7,722 | 4,306 | 453 | | |
| H | 120 | Total Distribution Maintenance | | 3,155,127 | 1,101,654 | 1,156,487 | 736,899 | 160,087 | | |
| H | 121 | | | | | | | | | |
| H | 122 | TOTAL DISTRIBUTION EXPENSES | | 6,668,047 | 2,776,506 | 2,331,506 | 1,362,957 | 197,078 | | |
| H | 123 | | | | | | | | | |
| H | 124 | TOTAL OPER & MAINT EXP (PROD, TRAN, & DIST) | | 109,905,967 | 38,283,138 | 35,574,434 | 34,886,066 | 1,162,328 | | |
| H | 125 | | | | | | | | | |
| H | 126 | | | | | | | | | |
| H | 127 | | | | | | | | | |
| H | 128 | | | | | | | | | |
| H | 129 | | | | | | | | | |
| H | 130 | | | | | | | | | |
| H | 131 | | | | | | | | | |
| H | 132 | | | | | | | | | |
| H | 133 | | | | | | | | | |
| H | 134 | | | | | | | | | |
| H | 135 | | | | | | | | | |
| H | 136 | | | | | | | | | |
| H | 137 | | | | | | | | | |
| H | 138 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|------------------------------------------------------|------------|-------------|-------------|------------|------------|-----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | (c) | (d) | (e) | (h) | (i) | | |
| H | 139 | OPERATION & MAINTENANCE EXPENSE CONTINUED | | | | | | | | |
| H | 140 | | | | | | | | | |
| H | 141 | | | | | | | | | |
| H | 142 | CUSTOMER ACCOUNTS EXPENSES | | | | | | | | |
| H | 143 | 901-Supervision | SALWAGCA | 31,985 | 26,100 | 5,493 | 79 | 313 | | |
| H | 144 | 902-Meter Reading | CMETRDG | 59,755 | 48,498 | 10,975 | 143 | 140 | | |
| H | 145 | 903-Customer Records and Collection Expense | CUSTREC | 1,664,965 | 1,341,162 | 303,511 | 3,979 | 16,313 | | |
| H | 146 | 904-Uncollectible Accounts | EXP_904 | 281,359 | 255,654 | 21,662 | 859 | 3,185 | | |
| H | 147 | 905-Miscellaneous CA | CUSTCAM | 793,577 | 639,242 | 144,663 | 1,896 | 7,776 | | |
| H | 148 | TOTAL CUSTOMER ACCTS EXPENSE | | 2,831,643 | 2,310,656 | 486,304 | 6,956 | 27,727 | | |
| H | 149 | | | | | | | | | |
| H | 150 | | | | | | | | | |
| H | 151 | CUSTOMER SERVICE EXPENSES | | | | | | | | |
| H | 152 | 907-Supervision | SALWAGCS | 270,371 | 217,789 | 49,287 | 646 | 2,649 | | |
| H | 153 | 908-Customer Assistance | CUSTASST | 1,120,341 | 902,456 | 204,230 | 2,677 | 10,977 | | |
| H | 154 | 909-Advertisement | CUSTADVT | 11,386 | 9,171 | 2,076 | 27 | 112 | | |
| H | 155 | 910-Miscellaneous CS | CUSTCSM | 62,301 | 50,185 | 11,357 | 149 | 610 | | |
| H | 156 | TOTAL CUSTOMER SERVICE EXPENSE | | 1,464,398 | 1,179,601 | 266,949 | 3,500 | 14,348 | | |
| H | 157 | | | | | | | | | |
| H | 158 | SALES EXPENSES TOTAL | SALESREV | 1,992 | 769 | 662 | 534 | 27 | | |
| H | 159 | | | | | | | | | |
| H | 160 | TOTAL OPER & MAINT EXCL A&G | | 114,204,000 | 41,774,164 | 36,328,349 | 34,897,056 | 1,204,431 | | |
| H | 161 | | | | | | | | | |
| H | 162 | ADMINISTRATIVE & GENERAL EXPENSE | | | | | | | | |
| H | 163 | 920-Administrative Salaries | SALWAGES | 11,264,237 | 4,949,495 | 3,489,938 | 2,685,161 | 139,643 | | |
| H | 164 | 921-Office Supplies & Expense | SALWAGES | 3,315,974 | 1,457,036 | 1,027,370 | 790,460 | 41,108 | | |
| H | 165 | 923-A&G Expense Transferred | SALWAGES | (37,590) | (16,517) | (11,646) | (8,961) | (466) | | |
| H | 166 | 924-Outside Services | SALWAGES | 2,071,098 | 910,038 | 641,677 | 493,707 | 25,675 | | |
| H | 167 | 924-Rate Case Expenses | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| H | 168 | 925-Property Insurance | TOTPLT | 775,598 | 282,171 | 283,343 | 199,491 | 10,593 | | |
| H | 169 | 926-Injuries and Damages | SALWAGES | 1,259,945 | 553,619 | 390,362 | 300,345 | 15,620 | | |
| H | 170 | 927-Pensions & Benefits | SALWAGES | 90,017 | 39,554 | 27,890 | 21,458 | 1,116 | | |
| H | 171 | 928-Regulatory Commission | CLAIMREV | 639,480 | 243,303 | 205,897 | 182,584 | 7,696 | | |
| H | 172 | 930.1-General Advertising | SALWAGES | 203,615 | 89,468 | 63,085 | 48,538 | 2,524 | | |
| H | 173 | 930.2-Miscellaneous General | SALWAGES | 1,053,621 | 462,960 | 326,438 | 251,161 | 13,062 | | |
| H | 174 | 931-Rents | GENLPLT | 494,889 | 217,454 | 153,329 | 117,971 | 6,135 | | |
| H | 175 | 932-Maintenance of General Plant | GENLPLT | 980,327 | 430,755 | 303,729 | 233,690 | 12,153 | | |
| H | 176 | TOTAL A&G EXPENSE | | 22,111,212 | 9,619,336 | 6,901,412 | 5,315,605 | 274,859 | | |
| H | 177 | | | | | | | | | |
| H | 178 | TOTAL OPERATION & MAINTENANCE EXPENSES | | 136,315,212 | 51,393,500 | 43,229,760 | 40,212,662 | 1,479,290 | | |
| H | 179 | | | | | | | | | |
| H | 180 | | | | | | | | | |
| H | 181 | | | | | | | | | |
| H | 182 | | | | | | | | | |
| H | 183 | | | | | | | | | |
| H | 184 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|------------------------------------------------|------------|-------------------|------------------|------------------|------------------|----------------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | DAKOTA | (d) | (e) | (h) | (i) | | |
| J | 1 | DEPRECIATION/AMORTIZATION EXPENSE | | | | | | | | |
| J | 2 | | | | | | | | | |
| J | 3 | PRODUCTION PLANT EXPENSE | PRODPLT | 11,908,267 | 4,109,169 | 4,312,851 | 3,379,948 | 106,299 | | |
| J | 4 | | | | | | | | | |
| J | 5 | TRANSMISSION PLANT EXPENSE | TRANPLT | 82,778 | 28,598 | 31,061 | 22,392 | 727 | | |
| J | 6 | | | | | | | | | |
| J | 7 | DISTRIBUTION PLANT EXPENSE | | | | | | | | |
| J | 8 | 360-Land & Land Rights | PLT_360 | 0 | 0 | 0 | 0 | 0 | | |
| J | 9 | 361-Structures & Improvements | PLT_361 | 6,781 | 2,343 | 2,545 | 1,834 | 60 | | |
| J | 10 | 362-Station Equipment | PLT_362 | 1,457,194 | 503,425 | 546,790 | 394,174 | 12,805 | | |
| J | 11 | 364-Poles, Towers & Fixtures | PLT_364 | 1,623,151 | 578,755 | 628,609 | 401,066 | 14,721 | | |
| J | 12 | 365-Overhead Conductors & Devices | PLT_365 | 996,293 | 351,934 | 382,250 | 253,158 | 8,952 | | |
| J | 13 | 366-Underground Conduit | PLT_366 | 96,663 | 35,477 | 38,533 | 21,750 | 902 | | |
| J | 14 | 367-Underground Conductors & Devices | PLT_367 | 1,038,011 | 385,466 | 418,670 | 224,071 | 9,805 | | |
| J | 15 | 368-Line Transformers | PLT_368 | 857,553 | 341,733 | 371,170 | 135,958 | 8,692 | | |
| J | 16 | 369-Services | PLT_369 | 732,803 | 398,035 | 269,060 | 65,708 | 0 | | |
| J | 17 | 370-Meters | PLT_370 | 77,660 | 55,670 | 17,383 | 4,469 | 137 | | |
| J | 18 | 371-Installation on Customer Premises | PLT_371 | 53,987 | 0 | 0 | 0 | 53,987 | | |
| J | 19 | 373-Street Lighting & Signal Systems | PLT_373 | 44,462 | 0 | 0 | 0 | 44,462 | | |
| J | 20 | Distribution Plant Annualization | DISTPLT | 350,778 | 133,540 | 134,414 | 74,943 | 7,881 | | |
| J | 21 | TOTAL DISTRIBUTION PLANT EXPENSE | | 7,335,335 | 2,786,378 | 2,809,423 | 1,577,131 | 162,403 | | |
| J | 22 | | | | | | | | | |
| J | 23 | GENERAL PLANT EXPENSE | GENLPLT | 1,593,945 | 700,378 | 493,843 | 379,964 | 19,760 | | |
| J | 24 | | | | | | | | | |
| J | 25 | OTHER UTILITY DEPRECIATION EXPENSE | SALWAGES | 1,775,685 | 780,234 | 550,151 | 423,287 | 22,013 | | |
| J | 26 | | | | | | | | | |
| J | 27 | TOTAL DEPRECIATION EXPENSE | | 22,696,010 | 8,404,757 | 8,197,330 | 5,782,721 | 311,202 | | |
| J | 28 | | | | | | | | | |
| J | 29 | PLANT ACQUISITION ADJUSTMENT | SALWAGES | 88,365 | 38,827 | 27,378 | 21,064 | 1,095 | | |
| J | 30 | | | | | | | | | |
| J | 31 | TOTAL DEPRECIATION/AMORTIZATION EXPENSE | | 22,784,375 | 8,443,585 | 8,224,707 | 5,803,785 | 312,298 | | |
| J | 32 | | | | | | | | | |
| J | 33 | | | | | | | | | |
| J | 34 | | | | | | | | | |
| J | 35 | | | | | | | | | |
| J | 36 | | | | | | | | | |
| J | 37 | | | | | | | | | |
| J | 38 | | | | | | | | | |
| J | 39 | | | | | | | | | |
| J | 40 | | | | | | | | | |
| J | 41 | | | | | | | | | |
| J | 42 | | | | | | | | | |
| J | 43 | | | | | | | | | |
| J | 44 | | | | | | | | | |
| J | 45 | | | | | | | | | |
| J | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
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| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|--------------------------------------|------------|-------------|-------------|-----------|------------|----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | DAKOTA | (d) | (e) | (h) | (i) | | |
| L | 1 | OTHER OPERATING EXPENSES | | | | | | | | |
| L | 2 | | | | | | | | | |
| L | 3 | TAXES OTHER THAN INCOME TAXES | | | | | | | | |
| L | 4 | Federal Taxes | | | | | | | | |
| L | 5 | FICA Tax | SALWAGES | 2,512,919 | 1,104,174 | 778,564 | 599,028 | 31,153 | | |
| L | 6 | Unemployment Tax | SALWAGES | 19,743 | 8,675 | 6,117 | 4,706 | 245 | | |
| L | 7 | | | | | | | | | |
| L | 8 | State Taxes | | | | | | | | |
| L | 9 | Unemployment Tax | SALWAGES | 84,144 | 36,973 | 26,070 | 20,058 | 1,043 | | |
| L | 10 | Montana Electric Energy Tax | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| L | 11 | Wyoming Franchise Taxes | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| L | 12 | South Dakota PUC Tax | CLAIMREV | 216,138 | 82,234 | 69,591 | 61,712 | 2,601 | | |
| L | 13 | Wyoming Sales Tax | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| L | 14 | | | | | | | | | |
| L | 15 | Local Taxes | | | | | | | | |
| L | 16 | Property | TOTPLT | 3,720,016 | 1,353,382 | 1,359,004 | 956,821 | 50,808 | | |
| L | 17 | | | | | | | | | |
| L | 18 | TOIT - Payroll Loading & Other | SALWAGES | (2,815,520) | (1,237,137) | (872,317) | (671,162) | (34,904) | | |
| L | 19 | | | | | | | | | |
| L | 20 | TOTAL TAXES OTHER THAN INCOME | | 3,737,440 | 1,348,301 | 1,367,029 | 971,164 | 50,946 | | |
| L | 21 | | | | | | | | | |
| L | 22 | | | | | | | | | |
| L | 23 | | | | | | | | | |
| L | 24 | | | | | | | | | |
| L | 25 | | | | | | | | | |
| L | 26 | | | | | | | | | |
| L | 27 | | | | | | | | | |
| L | 28 | | | | | | | | | |
| L | 29 | | | | | | | | | |
| L | 30 | | | | | | | | | |
| L | 31 | | | | | | | | | |
| L | 32 | | | | | | | | | |
| L | 33 | | | | | | | | | |
| L | 34 | | | | | | | | | |
| L | 35 | | | | | | | | | |
| L | 36 | | | | | | | | | |
| L | 37 | | | | | | | | | |
| L | 38 | | | | | | | | | |
| L | 39 | | | | | | | | | |
| L | 40 | | | | | | | | | |
| L | 41 | | | | | | | | | |
| L | 42 | | | | | | | | | |
| L | 43 | | | | | | | | | |
| L | 44 | | | | | | | | | |
| L | 45 | | | | | | | | | |
| L | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
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| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|-------------------------------------------------|---------------|--------------|--------------|--------------|--------------|-----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | (c) | (d) | (e) | (h) | (i) | | |
| K | 1 | DEVELOPMENT OF INCOME TAXES | | | | | | | | |
| K | 2 | | | | | | | | | |
| K | 3 | TOTAL OPERATING REVENUES | SCH I, LN 17 | 203,584,401 | 76,570,052 | 69,497,238 | 54,896,901 | 2,620,209 | | |
| K | 4 | | | | | | | | | |
| K | 5 | LESS: | | | | | | | | |
| K | 6 | OPERATION & MAINTAINENCE EXPENSE | SCH H, LN 178 | 136,315,212 | 51,393,500 | 43,229,760 | 40,212,662 | 1,479,290 | | |
| K | 7 | DEPRECIATION EXPENSE | SCH J, LN 27 | 22,696,010 | 8,404,757 | 8,197,330 | 5,782,721 | 311,202 | | |
| K | 8 | AMORTIZATION EXPENSE | SCH J, LN 29 | 88,365 | 38,827 | 27,378 | 21,064 | 1,095 | | |
| K | 9 | TAXES OTHER THAN INCOME TAXES | SCH L, LN 20 | 3,737,440 | 1,348,301 | 1,367,029 | 971,164 | 50,946 | | |
| K | 10 | MT STATE INCOME TAXES | CLAIMREV | 0 | 0 | 0 | 0 | 0 | | |
| K | 11 | | | | | | | | | |
| K | 12 | NET OPERATING INCOME BEFORE TAXES | | 40,747,374 | 15,384,666 | 16,675,741 | 7,909,291 | 777,675 | | |
| K | 13 | AFUDC | TOTPLT | (445,773) | (162,177) | (162,851) | (114,657) | (6,088) | | |
| K | 14 | Interest Expense (Rate Base * Wtd Cost of Debt) | | 14,031,269 | 5,123,954 | 5,117,218 | 3,605,070 | 185,027 | | |
| K | 15 | Subtotal | | 27,161,877 | 10,422,889 | 11,721,374 | 4,418,878 | 598,736 | | |
| K | 16 | | | | | | | | | |
| K | 17 | Tax Adjustments: | | | | | | | | |
| K | 18 | Permanent - Salaries & Wages | SALWAGES | 314,051 | 137,994 | 97,301 | 74,863 | 3,893 | | |
| K | 19 | Permanent - Plant | TOTPLT | (316,292) | (115,070) | (115,548) | (81,353) | (4,320) | | |
| K | 20 | Temporary - Salaries & Wages | SALWAGES | (4,254,857) | (1,869,580) | (1,318,259) | (1,014,270) | (52,747) | | |
| K | 21 | Temporary - Plant | TOTPLT | (34,731,864) | (12,635,826) | (12,688,320) | (8,933,345) | (474,373) | | |
| K | 22 | Temporary - Customer | CUST | (29,001) | (23,361) | (5,287) | (69) | (284) | | |
| K | 23 | Temporary - Other | CLAIMREV | (4,076,654) | (1,551,043) | (1,312,584) | (1,163,964) | (49,064) | | |
| K | 24 | Subtotal | | (43,094,617) | (16,056,886) | (15,342,697) | (11,118,138) | (576,895) | | |
| K | 25 | | | | | | | | | |
| K | 26 | TAXABLE INCOME (NOL) | | (15,932,740) | (5,633,997) | (3,621,324) | (6,699,260) | 21,842 | | |
| K | 27 | | | | | | | | | |
| K | 28 | Federal Income Tax @ 35% | | (5,576,459) | (1,971,899) | (1,267,463) | (2,344,741) | 7,645 | | |
| K | 29 | | | | | | | | | |
| K | 30 | Other Tax Adjustments | TOTPLT | 13,626,598 | 4,957,503 | 4,978,098 | 3,504,883 | 186,114 | | |
| K | 31 | | | | | | | | | |
| K | 32 | TOTAL FEDERAL INCOME TAX | | 8,050,139 | 2,985,604 | 3,710,635 | 1,160,142 | 193,759 | | |
| K | 33 | | | | | | | | | |
| K | 34 | TOTAL INCOME TAXES | | 8,050,139 | 2,985,604 | 3,710,635 | 1,160,142 | 193,759 | | |
| K | 35 | | | | | | | | | |
| K | 36 | | | | | | | | | |
| K | 37 | | | | | | | | | |
| K | 38 | | | | | | | | | |
| K | 39 | | | | | | | | | |
| K | 40 | | | | | | | | | |
| K | 41 | | | | | | | | | |
| K | 42 | | | | | | | | | |
| K | 43 | | | | | | | | | |
| K | 44 | | | | | | | | | |
| K | 45 | | | | | | | | | |
| K | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
 PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| K | 47 | | | | | | | | | |
| K | 48 | | | | | | | | | |
| K | 49 | | | | | | | | | |
| K | 50 | | | | | | | | | |
| K | 51 | | | | | | | | | |
| K | 52 | | | | | | | | | |
| K | 53 | | | | | | | | | |
| K | 54 | | | | | | | | | |
| K | 55 | TAX RATES | | | | | | | | |
| K | 56 | STATE TAX RATE | | 0.00% | | | | | | |
| K | 57 | FEDERAL TAX RATE - CURRENT | | 35.00% | | | | | | |
| K | 58 | | | | | | | | | |
| K | 59 | | | | | | | | | |
| K | 60 | | | | | | | | | |
| K | 61 | | | | | | | | | |
| K | 62 | WEIGHTED COST OF DEBT | | 3.35% | | | | | | |
| K | 63 | | | | | | | | | |
| K | 64 | | | | | | | | | |
| K | 65 | | | | | | | | | |
| K | 66 | | | | | | | | | |
| K | 67 | | | | | | | | | |
| K | 68 | | | | | | | | | |
| K | 69 | | | | | | | | | |
| K | 70 | | | | | | | | | |
| K | 71 | | | | | | | | | |
| K | 72 | | | | | | | | | |
| K | 73 | | | | | | | | | |
| K | 74 | | | | | | | | | |
| K | 75 | | | | | | | | | |
| K | 76 | | | | | | | | | |
| K | 77 | | | | | | | | | |
| K | 78 | | | | | | | | | |
| K | 79 | | | | | | | | | |
| K | 80 | | | | | | | | | |
| K | 81 | | | | | | | | | |
| K | 82 | | | | | | | | | |
| K | 83 | | | | | | | | | |
| K | 84 | | | | | | | | | |
| K | 85 | | | | | | | | | |
| K | 86 | | | | | | | | | |
| K | 87 | | | | | | | | | |
| K | 88 | | | | | | | | | |
| K | 89 | | | | | | | | | |
| K | 90 | | | | | | | | | |
| K | 91 | | | | | | | | | |
| K | 92 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|--------------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| H-1 | 1 | DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR | | | | | | | | |
| H-1 | 2 | | | | | | | | | |
| H-1 | 3 | PRODUCTION SALARIES & WAGES EXPENSE | | | | | | | | |
| H-1 | 4 | Operation | OX_PROD | 3,704,819 | 1,272,250 | 1,125,324 | 1,271,891 | 35,353 | | |
| H-1 | 5 | Maintenance | MX_PROD | 2,881,357 | 994,266 | 1,043,549 | 817,821 | 25,720 | | |
| H-1 | 6 | TOTAL PRODUCTION | | 6,586,176 | 2,266,516 | 2,168,874 | 2,089,713 | 61,073 | | |
| H-1 | 7 | | | | | | | | | |
| H-1 | 8 | TRANSMISSION SALARIES & WAGES EXPENSE | | | | | | | | |
| H-1 | 9 | Operation | OX_TRAN | 236,196 | 81,600 | 88,629 | 63,891 | 2,076 | | |
| H-1 | 10 | Maintenance | MX_TRAN | 61,019 | 21,081 | 22,896 | 16,506 | 536 | | |
| H-1 | 11 | TOTAL TRANSMISSION | | 297,215 | 102,681 | 111,525 | 80,397 | 2,612 | | |
| H-1 | 12 | | | | | | | | | |
| H-1 | 13 | DISTRIBUTION SALARIES & WAGES EXPENSE | | | | | | | | |
| H-1 | 14 | Operation | OX_DIST | 1,803,754 | 859,974 | 603,329 | 321,457 | 18,994 | | |
| H-1 | 15 | Maintenance | MX_DIST | 772,397 | 269,693 | 283,116 | 180,398 | 39,190 | | |
| H-1 | 16 | TOTAL DISTRIBUTION | | 2,576,151 | 1,129,667 | 886,445 | 501,856 | 58,184 | | |
| H-1 | 17 | | | | | | | | | |
| H-1 | 18 | CUSTOMER ACCOUNTS SAL & WAGES EXP | OX_CA | 1,009,419 | 823,699 | 173,357 | 2,480 | 9,884 | | |
| H-1 | 19 | | | | | | | | | |
| H-1 | 20 | CUSTOMER SERVICE SAL & WAGES EXP | OX_CS | 757,920 | 610,519 | 138,163 | 1,811 | 7,426 | | |
| H-1 | 21 | | | | | | | | | |
| H-1 | 22 | ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP | | | | | | | | |
| H-1 | 23 | Operation | SALWAGXAG | 102,750 | 45,148 | 31,834 | 24,493 | 1,274 | | |
| H-1 | 24 | Maintenance | SALWAGXAG | 13,241 | 5,818 | 4,102 | 3,156 | 164 | | |
| H-1 | 25 | TOTAL ADMINISTRATIVE & GENERAL | | 115,991 | 50,966 | 35,937 | 27,650 | 1,438 | | |
| H-1 | 26 | | | | | | | | | |
| H-1 | 27 | TOT OPER & MAINTENANCE LABOR | | 11,342,872 | 4,984,047 | 3,514,301 | 2,703,906 | 140,617 | | |
| H-1 | 28 | | | | | | | | | |
| H-1 | 29 | | | | | | | | | |
| H-1 | 30 | | | | | | | | | |
| H-1 | 31 | | | | | | | | | |
| H-1 | 32 | | | | | | | | | |
| H-1 | 33 | | | | | | | | | |
| H-1 | 34 | | | | | | | | | |
| H-1 | 35 | | | | | | | | | |
| H-1 | 36 | | | | | | | | | |
| H-1 | 37 | | | | | | | | | |
| H-1 | 38 | | | | | | | | | |
| H-1 | 39 | | | | | | | | | |
| H-1 | 40 | | | | | | | | | |
| H-1 | 41 | | | | | | | | | |
| H-1 | 42 | | | | | | | | | |
| H-1 | 43 | | | | | | | | | |
| H-1 | 44 | | | | | | | | | |
| H-1 | 45 | | | | | | | | | |
| H-1 | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|------------|-------------|-------------------------------------------------------------------------|---------------------|--------------------------|------------------------|--------------------|-------------------------------------|---------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AF | 1 | ALLOCATION FACTOR TABLE | | | | | | | | |
| AF | 2 | <u>DEMAND</u> | | | | | | | | |
| AF | 3 | | | | | | | | | |
| AF | 4 | <u>DEMAND - PRODUCTION RELATED</u> | | | | | | | | |
| AF | 5 | Demand Production (A&E) | DPROD | 1.0000 | 0.3451 | 0.36217 | 0.28383 | 0.0089 | | |
| AF | 6 | | | | | | | | | |
| AF | 6 | | | | | | | | | |
| AF | 6 | | | | | | | | | |
| AF | 9 | <u>DEMAND - TRANSMISSION RELATED</u> | | | | | | | | |
| AF | 10 | Demand Transmission (Calculated Maximum Demand) DTRAN | | 395,339 | 136,580 | 148,345 | 106,940 | 3,474 | | |
| AF | 11 | | | | | | | | | |
| AF | 12 | | | | | | | | | |
| AF | 13 | | | | | | | | | |
| AF | 15 | | | | | | | | | |
| AF | 16 | | | | | | | | | |
| AF | 17 | | | | | | | | | |
| AF | 18 | | | | | | | | | |
| AF | 19 | | | | | | | | | |
| AF | 20 | <u>DEMAND - DISTRIBUTION RELATED (Calculated Maximum Demand)</u> | | | | | | | | |
| AF | 21 | Demand Distribution Primary Substation | DDISPSUB | 395,339 | 136,580 | 148,345 | 106,940 | 3,474 | | |
| AF | 22 | Demand Distribution Primary Overhead Lines | DDISTPOL | 395,339 | 136,580 | 148,345 | 106,940 | 3,474 | | |
| AF | 23 | Demand Distribution Primary Underground Lines | DDISTPUL | 395,339 | 136,580 | 148,345 | 106,940 | 3,474 | | |
| AF | 24 | | | | | | | | | |
| AF | 25 | Demand Distribution Secondary Overhead Lines | DDISTSOL | 342,737 | 136,580 | 148,345 | 54,338 | 3,474 | | |
| AF | 26 | Demand Distribution Secondary Underground Lines | DDISTSUL | 342,737 | 136,580 | 148,345 | 54,338 | 3,474 | | |
| AF | 27 | Demand Distribution Overhead Line Transformers | DDISTSOT | 342,737 | 136,580 | 148,345 | 54,338 | 3,474 | | |
| AF | 28 | Demand Distribution Undergrnd Line Transformers | DDISTSUT | 342,737 | 136,580 | 148,345 | 54,338 | 3,474 | | |
| AF | 29 | | | | | | | | | |
| AF | 30 | | | | | | | | | |
| AF | 31 | | | | | | | | | |
| AF | 32 | | | | | | | | | |
| AF | 33 | | | | | | | | | |
| AF | 34 | | | | | | | | | |
| AF | 35 | | | | | | | | | |
| AF | 36 | | | | | | | | | |
| AF | 37 | | | | | | | | | |
| AF | 38 | | | | | | | | | |
| AF | 39 | | | | | | | | | |
| AF | 40 | | | | | | | | | |
| AF | 41 | | | | | | | | | |
| AF | 42 | | | | | | | | | |
| AF | 43 | | | | | | | | | |
| AF | 44 | | | | | | | | | |
| AF | 45 | | | | | | | | | |
| AF | 46 | | | | | | | | | |

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PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AF | 47 | ALLOCATION FACTOR TABLE CONTINUED | | | | | | | | |
| AF | 48 | | | | | | | | | |
| AF | 49 | <u>ENERGY</u> | | | | | | | | |
| AF | 50 | Energy @ Generation with losses (kWh) | ENEFUEL | 1,575,166,528 | 540,282,965 | 456,134,813 | 563,482,467 | 15,266,283 | | |
| AF | 51 | Energy @ Generation with losses(kWh) | ENERGY1 | 1,575,166,528 | 540,282,965 | 456,134,813 | 563,482,467 | 15,266,283 | | |
| AF | 52 | Energy @ Meter (kWh Sales) | ENERGY2 | 1,455,583,600 | 496,446,720 | 419,125,988 | 525,983,250 | 14,027,642 | | |
| AF | 53 | | | | | | | | | |
| AF | 54 | | | | | | | | | |
| AF | 55 | | | | | | | | | |
| AF | 56 | | | | | | | | | |
| AF | 57 | | | | | | | | | |
| AF | 58 | | | | | | | | | |
| AF | 59 | | | | | | | | | |
| AF | 60 | | | | | | | | | |
| AF | 61 | <u>CUSTOMER</u> | | | | | | | | |
| AF | 62 | | | | | | | | | |
| AF | 63 | Customer Dist. Primary Substation | CDISPSUB | 65,012 | 52,369 | 11,851 | 154 | 637 | | |
| AF | 64 | Customer Dist. Primary Overhead Lines | CDISTPOL | 64,375 | 52,369 | 11,851 | 154 | 0 | | |
| AF | 65 | Customer Dist. Primary Underground Lines | CDISTPUL | 64,375 | 52,369 | 11,851 | 154 | 0 | | |
| AF | 66 | | | | | | | | | |
| AF | 67 | | | | | | | | | |
| AF | 68 | | | | | | | | | |
| AF | 69 | | | | | | | | | |
| AF | 70 | | | | | | | | | |
| AF | 71 | | | | | | | | | |
| AF | 72 | 369-Services | CSERVICE | 605,996 | 329,158 | 222,500 | 54,338 | 0 | | |
| AF | 73 | 370-Meters | CMETERS | 14,146,138 | 10,140,616 | 3,166,440 | 814,117 | 24,966 | | |
| AF | 74 | | | | | | | | | |
| AF | 75 | 902-Meter Reading | CMETRDG | 774,309 | 628,429 | 142,216 | 1,852 | 1,812 | | |
| AF | 76 | 903-Customer Records and Collections | CUSTREC | 780,153 | 628,429 | 142,216 | 1,864 | 7,644 | | |
| AF | 77 | 905-Miscellaneous Customer Accounts | CUSTCAM | 65,013 | 52,369 | 11,851 | 155 | 637 | | |
| AF | 78 | 908-Customer Assistance | CUSTASST | 65,013 | 52,369 | 11,851 | 155 | 637 | | |
| AF | 79 | 909-Advertisement | CUSTADVT | 65,013 | 52,369 | 11,851 | 155 | 637 | | |
| AF | 80 | 910-Miscellaneous Customer Service | CUSTCSM | 65,013 | 52,369 | 11,851 | 155 | 637 | | |
| AF | 81 | | | | | | | | | |
| AF | 82 | | | | | | | | | |
| AF | 83 | | | | | | | | | |
| AF | 84 | 371-Installation on Customer Premises | CUSTPREM | 126 | 0 | 0 | 0 | 126 | | |
| AF | 85 | 373-Street Lighting & Signal Systems | CLIGHT | 4,248,144 | 0 | 0 | 0 | 4,248,144 | | |
| AF | 86 | | | | | | | | | |
| AF | 87 | Number of Bills | CUSTBILLS | 780,153 | 628,429 | 142,216 | 1,864 | 7,644 | | |
| AF | 88 | Number of Customers | CUST | 65,013 | 52,369 | 11,851 | 155 | 637 | | |
| AF | 89 | | | | | | | | | |
| AF | 90 | | | | | | | | | |
| AF | 91 | | | | | | | | | |
| AF | 92 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AF | 93 | ALLOCATION FACTOR TABLE CONTINUED | | | | | | | | |
| AF | 94 | <u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u> | | | | | | | | |
| AF | 95 | | | | | | | | | |
| AF | 96 | Plant | | | | | | | | |
| AF | 97 | Prod, Trans, and Distr Plant in Service | PTDPLT | 725,598,983 | 259,666,110 | 268,318,814 | 187,609,784 | 10,004,275 | | |
| AF | 98 | Distribution Plant Excl Not Classified | DISTPLTXNC | 247,782,678 | 94,330,344 | 94,947,452 | 52,938,097 | 5,566,784 | | |
| AF | 99 | Rate Base | RATEBASE | 419,222,711 | 153,092,194 | 152,890,957 | 107,711,363 | 5,528,198 | | |
| AF | 100 | Total Electric Plant In Service | TOTPLT | 788,110,937 | 286,723,245 | 287,914,394 | 202,709,169 | 10,764,130 | | |
| AF | 101 | Production Plant In Service | PRODPLT | 461,147,508 | 159,127,519 | 167,015,127 | 130,888,447 | 4,116,414 | | |
| AF | 102 | Transmission Plant in Service | TRANPLT | 3,904,640 | 1,348,958 | 1,465,157 | 1,056,213 | 34,312 | | |
| AF | 103 | Distribution Plant in Service | DISTPLT | 260,546,835 | 99,189,632 | 99,838,529 | 55,665,125 | 5,853,549 | | |
| AF | 104 | Total Transmission and Distribution Plant | TDPLT | 264,451,475 | 100,538,590 | 101,303,687 | 56,721,338 | 5,887,861 | | |
| AF | 105 | General Plant in Service | GENLPLT | 36,537,446 | 16,054,520 | 11,320,200 | 8,709,772 | 452,954 | | |
| AF | 106 | | | | | | | | | |
| AF | 107 | Account 360 | PLT_360 | 1,552,057 | 536,198 | 582,386 | 419,835 | 13,639 | | |
| AF | 108 | Account 361 | PLT_361 | 246,766 | 85,252 | 92,595 | 66,751 | 2,168 | | |
| AF | 109 | Account 362 | PLT_362 | 45,100,101 | 15,580,987 | 16,923,133 | 12,199,669 | 396,312 | | |
| AF | 110 | Account 364 | PLT_364 | 59,063,449 | 21,059,818 | 22,873,911 | 14,594,050 | 535,670 | | |
| AF | 111 | Account 365 | PLT_365 | 36,253,256 | 12,806,224 | 13,909,352 | 9,211,945 | 325,735 | | |
| AF | 112 | Account 366 | PLT_366 | 3,517,373 | 1,290,941 | 1,402,143 | 791,453 | 32,836 | | |
| AF | 113 | Account 367 | PLT_367 | 37,771,301 | 14,026,393 | 15,234,627 | 8,153,511 | 356,770 | | |
| AF | 114 | Account 368 | PLT_368 | 31,204,759 | 12,435,033 | 13,506,187 | 4,947,246 | 316,293 | | |
| AF | 115 | Account 369 | PLT_369 | 26,665,348 | 14,483,764 | 9,790,576 | 2,391,008 | 0 | | |
| AF | 116 | Account 370 | PLT_370 | 2,825,893 | 2,025,733 | 632,542 | 162,631 | 4,987 | | |
| AF | 117 | Account 371 | PLT_371 | 1,964,488 | 0 | 0 | 0 | 1,964,488 | | |
| AF | 118 | Account 373 | PLT_373 | 1,617,886 | 0 | 0 | 0 | 1,617,886 | | |
| AF | 119 | Distribution Overhead Plant in Service | OHDIST | 95,316,705 | 33,866,042 | 36,783,263 | 23,805,995 | 861,405 | | |
| AF | 120 | Distribution Underground Plant in Service | UGDIST | 41,288,674 | 15,317,335 | 16,636,770 | 8,944,963 | 389,606 | | |
| AF | 121 | Account 371&373 | PLT_3713 | 3,582,374 | 0 | 0 | 0 | 3,582,374 | | |
| AF | 122 | | | | | | | | | |
| AF | 123 | Other Customer Class | DPLTOTH | 3,035,340 | 0 | 3,035,340 | 0 | 0 | | |
| AF | 124 | Residential Regular Sales Revenue | DPLTRESR | 32,621,709 | 32,621,709 | 0 | 0 | 0 | | |
| AF | 125 | Residential Electric Sales Revenue | DPLTRESE | 8,104,922 | 8,104,922 | 0 | 0 | 0 | | |
| AF | 126 | Residential Demand Sales Revenue | DPLTRESD | 8,456,746 | 8,456,746 | 0 | 0 | 0 | | |
| AF | 127 | GS Regular Sales Revenue | DPLTGSR | 43,081,009 | 0 | 43,081,009 | 0 | 0 | | |
| AF | 128 | GS Total Electric Sales Revenue | DPLTGSE | 5,095,870 | 0 | 5,095,870 | 0 | 0 | | |
| AF | 129 | GSL Secondary | DPLTGSLs | 18,735,633 | 0 | 0 | 18,735,633 | 0 | | |
| AF | 130 | GSL Primary | DPLTGSLP | 3,627,324 | 0 | 0 | 3,627,324 | 0 | | |
| AF | 131 | | | | | | | | | |
| AF | 132 | | | | | | | | | |
| AF | 133 | | | | | | | | | |
| AF | 134 | Total O&M less Fuel and Purchased Power | OMXFPP | 101,199,170 | 39,351,065 | 33,147,580 | 27,562,498 | 1,138,028 | | |
| AF | 135 | Supervised O&M Expense excluding CUS | OMXFPPT | 48,880,918 | 19,354,212 | 16,939,593 | 12,011,052 | 576,061 | | |
| AF | 136 | | | | | | | | | |
| AF | 137 | | | | | | | | | |
| AF | 138 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AF | 139 | ALLOCATION FACTOR TABLE CONTINUED | | | | | | | | |
| AF | 140 | <u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u> | | | | | | | | |
| AF | 141 | Production Expense | | | | | | | | |
| AF | 142 | Account 500 | OX_500 | 1,609,006 | 552,539 | 488,730 | 552,384 | 15,354 | | |
| AF | 143 | Account 501 | OX_501 | 21,214,242 | 7,276,496 | 6,143,194 | 7,588,946 | 205,605 | | |
| AF | 144 | Account 502 | OX_502 | 3,275,273 | 1,130,194 | 1,186,215 | 929,627 | 29,237 | | |
| AF | 145 | Account 505 | OX_505 | 1,115,594 | 384,956 | 404,038 | 316,641 | 9,958 | | |
| AF | 146 | Account 506 | OX_506 | 705,880 | 243,577 | 255,651 | 200,351 | 6,301 | | |
| AF | 147 | Account 510 | MX_510 | 1,538,412 | 530,858 | 557,171 | 436,651 | 13,733 | | |
| AF | 148 | Account 511 | MX_511 | 733,660 | 253,163 | 265,712 | 208,236 | 6,549 | | |
| AF | 149 | Account 512 | MX_512 | 4,251,679 | 1,467,121 | 1,539,843 | 1,206,763 | 37,952 | | |
| AF | 150 | Account 513 | MX_513 | 781,987 | 269,839 | 283,214 | 221,953 | 6,980 | | |
| AF | 151 | Account 514 | MX_514 | 183,890 | 63,455 | 66,600 | 52,194 | 1,641 | | |
| AF | 152 | Account 546 | OX_546 | 187,687 | 64,453 | 57,009 | 64,434 | 1,791 | | |
| AF | 153 | Account 547 | OX_547 | 1,792,326 | 614,769 | 519,020 | 641,167 | 17,371 | | |
| AF | 154 | Account 548 | OX_548 | 395,094 | 136,335 | 143,092 | 112,140 | 3,527 | | |
| AF | 155 | Account 549 | OX_549 | 86,807 | 29,955 | 31,439 | 24,639 | 775 | | |
| AF | 156 | Account 551 | MX_551 | 146,209 | 50,452 | 52,953 | 41,499 | 1,305 | | |
| AF | 157 | Account 552 | MX_552 | 87,882 | 30,325 | 31,828 | 24,944 | 784 | | |
| AF | 158 | Account 553 | MX_553 | 1,757,952 | 606,614 | 636,683 | 498,963 | 15,692 | | |
| AF | 159 | Account 554 | MX_554 | 176,711 | 60,977 | 64,000 | 50,156 | 1,577 | | |
| AF | 160 | Account 556 | OX_556 | 1,082,851 | 373,658 | 392,179 | 307,348 | 9,666 | | |
| AF | 161 | Account 555 | OX_555 | 42,298,322 | 14,521,761 | 12,719,571 | 14,652,005 | 404,984 | | |
| AF | 162 | Account 557 | OX_557 | 0 | 0 | 0 | 0 | 0 | | |
| AF | 163 | O&M Expense Production Operation | OX_PROD | 28,585,216 | 9,816,281 | 8,682,649 | 9,813,511 | 272,774 | | |
| AF | 164 | O&M Expense Production Maintenance | MX_PROD | 16,546,218 | 5,709,580 | 5,992,592 | 4,696,347 | 147,699 | | |
| AF | 165 | Salaries and Wages Production Operation | SALWAGPO | 3,704,819 | 1,272,250 | 1,125,324 | 1,271,891 | 35,353 | | |
| AF | 166 | Salaries and Wages Production Maintenance | SALWAGPM | 2,881,357 | 994,266 | 1,043,549 | 817,821 | 25,720 | | |
| AF | 167 | Transmission Expense | | | | | | | | |
| AF | 168 | Account 560 | OX_560 | 246,323 | 85,099 | 92,429 | 66,631 | 2,165 | | |
| AF | 169 | Account 561 | OX_561 | 0 | 0 | 0 | 0 | 0 | | |
| AF | 170 | Account 562 | OX_562 | 0 | 0 | 0 | 0 | 0 | | |
| AF | 171 | Account 563 | OX_563 | 44,867 | 15,500 | 16,836 | 12,137 | 394 | | |
| AF | 172 | Account 565 | OX_565 | 16,956,354 | 5,858,007 | 6,362,616 | 4,586,728 | 149,002 | | |
| AF | 173 | Account 566 | OX_566 | 47,715 | 16,484 | 17,904 | 12,907 | 419 | | |
| AF | 174 | Account 567 | OX_567 | 0 | 0 | 0 | 0 | 0 | | |
| AF | 175 | Account 568 | MX_568 | 0 | 0 | 0 | 0 | 0 | | |
| AF | 176 | Account 569 | MX_569 | 0 | 0 | 0 | 0 | 0 | | |
| AF | 177 | Account 570 | MX_570 | 68,262 | 23,583 | 25,614 | 18,465 | 600 | | |
| AF | 178 | Account 571 | MX_571 | 76,592 | 26,461 | 28,740 | 20,718 | 673 | | |
| AF | 179 | Account 573 | MX_573 | 0 | 0 | 0 | 0 | 0 | | |
| AF | 180 | O&M Accounts 561-567 | OX_TRAN | 17,048,935 | 5,889,992 | 6,397,356 | 4,611,772 | 149,816 | | |
| AF | 181 | O&M Accounts 569-573 | MX_TRAN | 144,855 | 50,044 | 54,355 | 39,184 | 1,273 | | |
| AF | 182 | Salaries & Wages Accounts 561-567 | SALWAGTO | 236,196 | 81,600 | 88,629 | 63,891 | 2,076 | | |
| AF | 183 | Salaries & Wages Accounts 569-573 | SALWAGTM | 61,019 | 21,081 | 22,896 | 16,506 | 536 | | |
| AF | 184 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|-------------------------------------------------------|------------|------------|-------------|-----------|------------|----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | DAKOTA | (d) | (e) | (h) | (i) | | |
| AF | 185 | ALLOCATION FACTOR TABLE CONTINUED | | | | | | | | |
| AF | 186 | <u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u> | | | | | | | | |
| AF | 187 | Distribution Expense | | | | | | | | |
| AF | 188 | Account 580 | OX_580 | 782,216 | 372,936 | 261,639 | 139,403 | 8,237 | | |
| AF | 189 | Account 581 | OX_581 | 273,604 | 104,161 | 104,842 | 58,455 | 6,147 | | |
| AF | 190 | Account 582 | OX_582 | 371,904 | 128,484 | 139,551 | 100,601 | 3,268 | | |
| AF | 191 | Account 583 | OX_583 | 431,942 | 153,469 | 166,689 | 107,881 | 3,904 | | |
| AF | 192 | Account 584 | OX_584 | 304,456 | 112,948 | 122,677 | 65,959 | 2,873 | | |
| AF | 193 | Account 585 | OX_585 | 85 | 0 | 0 | 0 | 85 | | |
| AF | 194 | Account 586 | OX_586 | 833,288 | 597,340 | 186,521 | 47,956 | 1,471 | | |
| AF | 195 | Account 587 | OX_587 | 27,646 | 19,818 | 6,188 | 1,591 | 49 | | |
| AF | 196 | Account 588 | OX_588 | 469,586 | 178,770 | 179,940 | 100,326 | 10,550 | | |
| AF | 197 | Account 589 | OX_589 | 18,192 | 6,926 | 6,971 | 3,887 | 409 | | |
| AF | 198 | Account 590 | MX_590 | 1,469 | 513 | 538 | 343 | 75 | | |
| AF | 199 | Account 592 | MX_592 | 290,720 | 100,437 | 109,088 | 78,640 | 2,555 | | |
| AF | 200 | Account 593 | MX_593 | 2,414,985 | 858,045 | 931,957 | 603,159 | 21,825 | | |
| AF | 201 | Account 594 | MX_594 | 187,239 | 69,462 | 75,446 | 40,564 | 1,767 | | |
| AF | 202 | Account 595 | MX_595 | 36,560 | 14,569 | 15,824 | 5,796 | 371 | | |
| AF | 203 | Account 596 | MX_596 | 132,917 | 0 | 0 | 0 | 132,917 | | |
| AF | 204 | Account 597 | MX_597 | 71,085 | 50,957 | 15,911 | 4,091 | 125 | | |
| AF | 205 | Account 598 | MX_598 | 20,153 | 7,672 | 7,722 | 4,306 | 453 | | |
| AF | 206 | O&M Accounts 581-589 | OX_DIST | 2,730,705 | 1,301,915 | 913,380 | 486,655 | 28,755 | | |
| AF | 207 | O&M Accounts 591-598 | MX_DIST | 3,153,659 | 1,101,142 | 1,155,948 | 736,556 | 160,012 | | |
| AF | 208 | Salaries & Wages Accounts 581-589 | SALWAGDO | 1,803,754 | 859,974 | 603,329 | 321,457 | 18,994 | | |
| AF | 209 | Salaries & Wages Accounts 591-598 | SALWAGDM | 772,397 | 269,693 | 283,116 | 180,398 | 39,190 | | |
| AF | 210 | | | | | | | | | |
| AF | 211 | Account 902 | OX_902 | 59,755 | 48,498 | 10,975 | 143 | 140 | | |
| AF | 212 | Account 903 | OX_903 | 1,664,965 | 1,341,162 | 303,511 | 3,979 | 16,313 | | |
| AF | 213 | Account 904 | OX_904 | 281,359 | 255,654 | 21,662 | 859 | 3,185 | | |
| AF | 214 | O&M Accounts 902-905 | OX_CA | 2,799,657 | 2,284,555 | 480,811 | 6,878 | 27,414 | | |
| AF | 215 | Salaries & Wages Accounts 902-905 | SALWAGCA | 1,009,419 | 823,699 | 173,357 | 2,480 | 9,884 | | |
| AF | 216 | | | | | | | | | |
| AF | 217 | Account 908 | OX_908 | 1,120,341 | 902,456 | 204,230 | 2,677 | 10,977 | | |
| AF | 218 | Account 909 | OX_909 | 11,386 | 9,171 | 2,076 | 27 | 112 | | |
| AF | 219 | Account 910 | OX_910 | 62,301 | 50,185 | 11,357 | 149 | 610 | | |
| AF | 220 | O&M Accounts 908-910 | OX_CS | 1,194,027 | 961,812 | 217,662 | 2,853 | 11,699 | | |
| AF | 221 | Salaries & Wages Accounts 908-910 | SALWAGCS | 757,920 | 610,519 | 138,163 | 1,811 | 7,426 | | |
| AF | 222 | | | | | | | | | |
| AF | 223 | Salaries & Wages Excluding Admin & Gen | SALWAGXAG | 11,226,881 | 4,933,081 | 3,478,364 | 2,676,256 | 139,180 | | |
| AF | 224 | Total Salaries and Wages Expense | SALWAGES | 11,342,872 | 4,984,047 | 3,514,301 | 2,703,906 | 140,617 | | |
| AF | 225 | | | | | | | | | |
| AF | 226 | | | | | | | | | |
| AF | 227 | | | | | | | | | |
| AF | 228 | | | | | | | | | |
| AF | 229 | | | | | | | | | |
| AF | 230 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|--------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AF | 231 | REVENUES AND BILLING DETERMINANTS | | | | | | | | |
| AF | 232 | | | | | | | | | |
| AF | 233 | Base Rate Sales Revenue | SALESREV | 138,472,112 | 53,463,066 | 45,981,255 | 37,131,743 | 1,896,049 | | |
| AF | 234 | Other Sales Revenue | SREVOTH | 1,855,833 | 0 | 1,855,833 | 0 | 0 | | |
| AF | 235 | Residential Regular Sales Revenue | SREVRESR | 38,615,013 | 38,615,013 | 0 | 0 | 0 | | |
| AF | 236 | Residential Total Electric Sales Revenue | SREVRESE | 7,838,265 | 7,838,265 | 0 | 0 | 0 | | |
| AF | 237 | Residential Total Electric Demand Sales Rev | SREVRESED | 7,009,788 | 7,009,788 | 0 | 0 | 0 | | |
| AF | 238 | GS Regular Sales Revenue | SREVSGSR | 38,063,784 | 0 | 38,063,784 | 0 | 0 | | |
| AF | 239 | GS Total Electric Sales Revenue | SREVSGSE | 3,818,597 | 0 | 3,818,597 | 0 | 0 | | |
| AF | 240 | GS Total Other Sales Revenue | SREVSGSO | 2,243,040 | 0 | 2,243,040 | 0 | 0 | | |
| AF | 241 | GSL Secondary | SREVGSLS | 20,384,869 | 0 | 0 | 20,384,869 | 0 | | |
| AF | 242 | GSL Primary | SREVGLSLP | 5,294,759 | 0 | 0 | 5,294,759 | 0 | | |
| AF | 243 | GSL Other | SREVGSLO | 1,509,732 | 0 | 0 | 1,509,732 | 0 | | |
| AF | 244 | Traffic Signals & Flashers | SREVTSF | 69,524 | 0 | 0 | 0 | 69,524 | | |
| AF | 245 | Private Area Lighting Leased | SREVTPAL | 572,230 | 0 | 0 | 0 | 572,230 | | |
| AF | 246 | Street Lighting Leased | SREVSL | 757,866 | 0 | 0 | 0 | 757,866 | | |
| AF | 247 | Street Lighting Energy & Maint Cust Owned | SREVLSLEM | 415,313 | 0 | 0 | 0 | 415,313 | | |
| AF | 248 | Street Lighting Non-Metered Services/Rentals | SREVLSLR | 81,116 | 0 | 0 | 0 | 81,116 | | |
| AF | 249 | | | | | | 0 | | | |
| AF | 250 | Claimed Rate Sales Revenue | CLAIMREV | 143,248,208 | 54,501,571 | 46,122,460 | 40,900,146 | 1,724,031 | | |
| AF | 251 | | | | | | | | | |
| AF | 252 | <u>PRESENT REVENUES FROM SALES INPUT</u> | | | | | | | | |
| AF | 253 | | | | | | | | | |
| AF | 254 | Total Sales of Electricity Revenues | | 138,472,112 | 53,463,066 | 45,981,255 | 37,131,743 | 1,896,049 | | |
| AF | 255 | | | | | | | | | |
| AF | 256 | Sales of Electricity Revenues | | 138,472,112 | 53,463,066 | 45,981,255 | 37,131,743 | 1,896,049 | | |
| AF | 257 | | | | | | | | | |
| AF | 258 | | | | | | | | | |
| AF | 259 | | | | | | | | | |
| AF | 260 | <u>BILLING DETERMINATE INPUTS</u> | | | | | | | | |
| AF | 261 | Number of Customer Bills | SCH AF, LN 87 | 780,153 | 628,429 | 142,216 | 1,864 | 7,644 | | |
| AF | 262 | Annual kWh Sales @ Meter | SCH AF, LN 52 | 1,455,583,600 | 496,446,720 | 419,125,988 | 525,983,250 | 14,027,642 | | |
| AF | 263 | Annual kW - Billed | | 3,320,546 | 417,090 | 1,570,707 | 1,332,749 | 0 | | |
| AF | 264 | | | | | | | | | |
| AF | 265 | | | | | | | | | |
| AF | 266 | <u>RATE OF RETURN</u> | | | | | | | | |
| AF | 267 | Rate of Return (Equalized) | SCH AF, LN 267 | 8.54% | 8.54% | 8.54% | 8.54% | 8.54% | | |
| AF | 268 | | | | | | | | | |
| AF | 269 | | | | | | | | | |
| AF | 270 | <u>PROPOSED REVENUES FROM SALES INPUT</u> | | | | | | | | |
| AF | 271 | Annual kWh Sales - Proposed | SCH AF, LN 262 | 1,455,583,600 | 496,446,720 | 419,125,988 | 525,983,250 | 14,027,642 | | |
| AF | 272 | Sales of Electricity Revenues - Proposed Total | | 143,248,208 | 54,501,571 | 46,122,460 | 40,900,146 | 1,724,031 | | |
| AF | 273 | Sales of Electricity Revenues - Proposed | | 143,248,208 | 54,501,571 | 46,122,460 | 40,900,146 | 1,724,031 | | |
| AF | 274 | Credit | | 0 | 0 | 0 | 0 | 0 | | |
| AF | 275 | Credit | DPROD | 0 | 0 | 0 | 0 | 0 | | |
| AF | 276 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|------------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AP | 1 | ALLOCATION PROPORTIONS TABLE | | | | | | | | |
| AP | 2 | <u>DEMAND</u> | | | | | | | | |
| AP | 3 | | | | | | | | | |
| AP | 4 | <u>DEMAND - PRODUCTION RELATED</u> | | | | | | | | |
| AP | 5 | Demand Production (A&E) | DPROD | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 6 | | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 6 | | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 6 | | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 6 | | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 9 | <u>DEMAND - TRANSMISSION RELATED</u> | | | | | | | | |
| AP | 10 | Demand Transmission (Calculated Maximum Demand) | DTRAN | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 11 | | | | | | | | | |
| AP | 12 | | | | | | | | | |
| AP | 13 | | | | | | | | | |
| AP | 15 | | | | | | | | | |
| AP | 16 | | | | | | | | | |
| AP | 17 | | | | | | | | | |
| AP | 18 | | | | | | | | | |
| AP | 19 | | | | | | | | | |
| AP | 20 | <u>DEMAND - DISTRIBUTION RELATED (Calculated Ma</u> | | | | | | | | |
| AP | 21 | Demand Distribution Primary Substation | DDISPSUB | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 22 | Demand Distribution Primary Overhead Lines | DDISTPOL | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 23 | Demand Distribution Primary Underground Lines | DDISTPUL | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 24 | | | | | | | | | |
| AP | 25 | Demand Distribution Secondary Overhead Lines | DDISTSOL | 1.00000 | 0.39850 | 0.43282 | 0.15854 | 0.01014 | | |
| AP | 26 | Demand Distribution Secondary Underground Lines | DDISTSUL | 1.00000 | 0.39850 | 0.43282 | 0.15854 | 0.01014 | | |
| AP | 27 | Demand Distribution Overhead Line Transformers | DDISTSOT | 1.00000 | 0.39850 | 0.43282 | 0.15854 | 0.01014 | | |
| AP | 28 | Demand Distribution Undergrnd Line Transformers | DDISTSUT | 1.00000 | 0.39850 | 0.43282 | 0.15854 | 0.01014 | | |
| AP | 29 | | | | | | | | | |
| AP | 30 | | | | | | | | | |
| AP | 31 | | | | | | | | | |
| AP | 32 | | | | | | | | | |
| AP | 33 | | | | | | | | | |
| AP | 34 | | | | | | | | | |
| AP | 35 | | | | | | | | | |
| AP | 36 | | | | | | | | | |
| AP | 37 | | | | | | | | | |
| AP | 38 | | | | | | | | | |
| AP | 39 | | | | | | | | | |
| AP | 40 | | | | | | | | | |
| AP | 41 | | | | | | | | | |
| AP | 42 | | | | | | | | | |
| AP | 43 | | | | | | | | | |
| AP | 44 | | | | | | | | | |
| AP | 45 | | | | | | | | | |
| AP | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-----------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AP | 47 | ALLOCATION PROPORTIONS TABLE CONTINUED | | | | | | | | |
| AP | 48 | | | | | | | | | |
| AP | 49 | <u>ENERGY</u> | | | | | | | | |
| AP | 50 | Energy @ Generation with losses (kWh) | ENEFUEL | 1.00000 | 0.34300 | 0.28958 | 0.35773 | 0.00969 | | |
| AP | 51 | Energy @ Generation with losses(kWh) | ENERGY1 | 1.00000 | 0.34300 | 0.28958 | 0.35773 | 0.00969 | | |
| AP | 52 | Energy @ Meter (kWh Sales) | ENERGY2 | 1.00000 | 0.34106 | 0.28794 | 0.36136 | 0.00964 | | |
| AP | 53 | | | | | | | | | |
| AP | 54 | | | | | | | | | |
| AP | 55 | | | | | | | | | |
| AP | 56 | | | | | | | | | |
| AP | 57 | | | | | | | | | |
| AP | 58 | | | | | | | | | |
| AP | 59 | | | | | | | | | |
| AP | 60 | | | | | | | | | |
| AP | 61 | <u>CUSTOMER</u> | | | | | | | | |
| AP | 62 | | | | | | | | | |
| AP | 63 | Customer Dist. Primary Substation | CDISPSUB | 1.00000 | 0.80553 | 0.18230 | 0.00237 | 0.00980 | | |
| AP | 64 | Customer Dist. Primary Overhead Lines | CDISTPOL | 1.00000 | 0.81350 | 0.18410 | 0.00240 | 0.00000 | | |
| AP | 65 | Customer Dist. Primary Underground Lines | CDISTPUL | 1.00000 | 0.81350 | 0.18410 | 0.00240 | 0.00000 | | |
| AP | 66 | | | | | | | | | |
| AP | 67 | | | | | | | | | |
| AP | 68 | | | | | | | | | |
| AP | 69 | | | | | | | | | |
| AP | 70 | | | | | | | | | |
| AP | 71 | | | | | | | | | |
| AP | 72 | 369-Services | CSERVICE | 1.00000 | 0.54317 | 0.36716 | 0.08967 | 0.00000 | | |
| AP | 73 | 370-Meters | CMETERS | 1.00000 | 0.71685 | 0.22384 | 0.05755 | 0.00176 | | |
| AP | 74 | | | | | | | | | |
| AP | 75 | 902-Meter Reading | CMETRDG | 1.00000 | 0.81160 | 0.18367 | 0.00239 | 0.00234 | | |
| AP | 76 | 903-Customer Records and Collections | CUSTREC | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 77 | 905-Miscellaneous Customer Accounts | CUSTCAM | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 78 | 908-Customer Assistance | CUSTASST | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 79 | 909-Advertisement | CUSTADVT | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 80 | 910-Miscellaneous Customer Service | CUSTCSM | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 81 | | | | | | | | | |
| AP | 82 | | | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 83 | | | | | | | | | |
| AP | 84 | 371-Installation on Customer Premises | CUSTPREM | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 85 | 373-Street Lighting & Signal Systems | CLIGHT | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 86 | | | | | | | | | |
| AP | 87 | Number of Bills | CUSTBILLS | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 88 | Number of Customers | CUST | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 89 | | | | | | | | | |
| AP | 90 | | | | | | | | | |
| AP | 91 | | | | | | | | | |
| AP | 92 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
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| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AP | 93 | ALLOCATION PROPORTIONS TABLE CONTINUED | | | | | | | | |
| AP | 94 | <u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u> | | | | | | | | |
| AP | 95 | | | | | | | | | |
| AP | 96 | Plant | | | | | | | | |
| AP | 97 | Prod, Trans, and Distr Plant in Service | PTDPLT | 1.00000 | 0.35786 | 0.36979 | 0.25856 | 0.01379 | | |
| AP | 98 | Distribution Plant Excl Not Classified | DISTPLTXNC | 1.00000 | 0.38070 | 0.38319 | 0.21365 | 0.02247 | | |
| AP | 99 | Rate Base | RATEBASE | 1.00000 | 0.36518 | 0.36470 | 0.25693 | 0.01319 | | |
| AP | 100 | Total Electric Plant In Service | TOTPLT | 1.00000 | 0.36381 | 0.36532 | 0.25721 | 0.01366 | | |
| AP | 101 | Production Plant In Service | PRODPLT | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 102 | Transmission Plant in Service | TRANPLT | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 103 | Distribution Plant in Service | DISTPLT | 1.00000 | 0.38070 | 0.38319 | 0.21365 | 0.02247 | | |
| AP | 104 | Total Transmission and Distribution Plant | TDPLT | 1.00000 | 0.38018 | 0.38307 | 0.21449 | 0.02226 | | |
| AP | 105 | General Plant in Service | GENLPLT | 1.00000 | 0.43940 | 0.30982 | 0.23838 | 0.01240 | | |
| AP | 106 | | | | | | | | | |
| AP | 107 | Account 360 | PLT_360 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 108 | Account 361 | PLT_361 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 109 | Account 362 | PLT_362 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 110 | Account 364 | PLT_364 | 1.00000 | 0.35656 | 0.38728 | 0.24709 | 0.00907 | | |
| AP | 111 | Account 365 | PLT_365 | 1.00000 | 0.35324 | 0.38367 | 0.25410 | 0.00898 | | |
| AP | 112 | Account 366 | PLT_366 | 1.00000 | 0.36702 | 0.39863 | 0.22501 | 0.00934 | | |
| AP | 113 | Account 367 | PLT_367 | 1.00000 | 0.37135 | 0.40334 | 0.21587 | 0.00945 | | |
| AP | 114 | Account 368 | PLT_368 | 1.00000 | 0.39850 | 0.43282 | 0.15854 | 0.01014 | | |
| AP | 115 | Account 369 | PLT_369 | 1.00000 | 0.54317 | 0.36716 | 0.08967 | 0.00000 | | |
| AP | 116 | Account 370 | PLT_370 | 1.00000 | 0.71685 | 0.22384 | 0.05755 | 0.00176 | | |
| AP | 117 | Account 371 | PLT_371 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 118 | Account 373 | PLT_373 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 119 | Distribution Overhead Plant in Service | OHDIST | 1.00000 | 0.35530 | 0.38591 | 0.24976 | 0.00904 | | |
| AP | 120 | Distribution Underground Plant in Service | UGDIST | 1.00000 | 0.37098 | 0.40294 | 0.21664 | 0.00944 | | |
| AP | 121 | Account 371&373 | PLT_3713 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 122 | | | | | | | | | |
| AP | 123 | Other Customer Class | DPLTOTH | 1.00000 | 0.00000 | 1.00000 | 0.00000 | 0.00000 | | |
| AP | 124 | Residential Regular Sales Revenue | DPLTRESR | 1.00000 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 125 | Residential Electric Sales Revenue | DPLTRESE | 1.00000 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 126 | Residential Demand Sales Revenue | DPLTRESD | 1.00000 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 127 | GS Regular Sales Revenue | DPLTGSR | 1.00000 | 0.00000 | 1.00000 | 0.00000 | 0.00000 | | |
| AP | 128 | GS Total Electric Sales Revenue | DPLTGSE | 1.00000 | 0.00000 | 1.00000 | 0.00000 | 0.00000 | | |
| AP | 129 | GSL Secondary | DPLTGSLs | 1.00000 | 0.00000 | 0.00000 | 1.00000 | 0.00000 | | |
| AP | 130 | GSL Primary | DPLTGSLP | 1.00000 | 0.00000 | 0.00000 | 1.00000 | 0.00000 | | |
| AP | 131 | | | | | | | | | |
| AP | 132 | | | | | | | | | |
| AP | 133 | | | | | | | | | |
| AP | 134 | Total O&M less Fuel and Purchased Power | OMXFPP | 1.00000 | 0.38885 | 0.32755 | 0.27236 | 0.01125 | | |
| AP | 135 | Supervised O&M Expense excluding CUS | OMXFPPT | | | | | | | |
| AP | 136 | | | | | | | | | |
| AP | 137 | | | | | | | | | |
| AP | 138 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AP | 139 | ALLOCATION PROPORTIONS TABLE CONTINUED | | | | | | | | |
| AP | 140 | <u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u> | | | | | | | | |
| AP | 141 | Production Expense | | | | | | | | |
| AP | 142 | Account 500 | OX_500 | 1.00000 | 0.34340 | 0.30375 | 0.34331 | 0.00954 | | |
| AP | 143 | Account 501 | OX_501 | 1.00000 | 0.34300 | 0.28958 | 0.35773 | 0.00969 | | |
| AP | 144 | Account 502 | OX_502 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 145 | Account 505 | OX_505 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 146 | Account 506 | OX_506 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 147 | Account 510 | MX_510 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 148 | Account 511 | MX_511 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 149 | Account 512 | MX_512 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 150 | Account 513 | MX_513 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 151 | Account 514 | MX_514 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 152 | Account 546 | OX_546 | 1.00000 | 0.34340 | 0.30375 | 0.34331 | 0.00954 | | |
| AP | 153 | Account 547 | OX_547 | 1.00000 | 0.34300 | 0.28958 | 0.35773 | 0.00969 | | |
| AP | 154 | Account 548 | OX_548 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 155 | Account 549 | OX_549 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 156 | Account 551 | MX_551 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 157 | Account 552 | MX_552 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 158 | Account 553 | MX_553 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 159 | Account 554 | MX_554 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 160 | Account 556 | OX_556 | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 161 | Account 555 | OX_555 | 1.00000 | 0.34332 | 0.30071 | 0.34640 | 0.00957 | | |
| AP | 162 | Account 557 | OX_557 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 163 | O&M Expense Production Operation | OX_PROD | 1.00000 | 0.34340 | 0.30375 | 0.34331 | 0.00954 | | |
| AP | 164 | O&M Expense Production Maintenance | MX_PROD | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 165 | Salaries and Wages Production Operation | SALWAGPO | 1.00000 | 0.34340 | 0.30375 | 0.34331 | 0.00954 | | |
| AP | 166 | Salaries and Wages Production Maintenance | SALWAGPM | 1.00000 | 0.34507 | 0.36217 | 0.28383 | 0.00893 | | |
| AP | 167 | Transmission Expense | | | | | | | | |
| AP | 168 | Account 560 | OX_560 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 169 | Account 561 | OX_561 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 170 | Account 562 | OX_562 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 171 | Account 563 | OX_563 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 172 | Account 565 | OX_565 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 173 | Account 566 | OX_566 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 174 | Account 567 | OX_567 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 175 | Account 568 | MX_568 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 176 | Account 569 | MX_569 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 177 | Account 570 | MX_570 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 178 | Account 571 | MX_571 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 179 | Account 573 | MX_573 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 180 | O&M Accounts 561-567 | OX_TRAN | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 181 | O&M Accounts 569-573 | MX_TRAN | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 182 | Salaries & Wages Accounts 561-567 | SALWAGTO | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 183 | Salaries & Wages Accounts 569-573 | SALWAGTM | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 184 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
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| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ | LIGHTING | | |
|-----|------|-------------------------------------------------------|------------|---------|-------------|---------|------------|----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH | SERVICE | SERVICE | INDUSTRIAL | SERVICE | (j) | (f) |
| | | | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AP | 185 | ALLOCATION PROPORTIONS TABLE CONTINUED | | | | | | | | |
| AP | 186 | <u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u> | | | | | | | | |
| AP | 187 | Distribution Expense | | | | | | | | |
| AP | 188 | Account 580 | OX_580 | 1.00000 | 0.47677 | 0.33449 | 0.17822 | 0.01053 | | |
| AP | 189 | Account 581 | OX_581 | 1.00000 | 0.38070 | 0.38319 | 0.21365 | 0.02247 | | |
| AP | 190 | Account 582 | OX_582 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 191 | Account 583 | OX_583 | 1.00000 | 0.35530 | 0.38591 | 0.24976 | 0.00904 | | |
| AP | 192 | Account 584 | OX_584 | 1.00000 | 0.37098 | 0.40294 | 0.21664 | 0.00944 | | |
| AP | 193 | Account 585 | OX_585 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 194 | Account 586 | OX_586 | 1.00000 | 0.71685 | 0.22384 | 0.05755 | 0.00176 | | |
| AP | 195 | Account 587 | OX_587 | 1.00000 | 0.71685 | 0.22384 | 0.05755 | 0.00176 | | |
| AP | 196 | Account 588 | OX_588 | 1.00000 | 0.38070 | 0.38319 | 0.21365 | 0.02247 | | |
| AP | 197 | Account 589 | OX_589 | 1.00000 | 0.38070 | 0.38319 | 0.21365 | 0.02247 | | |
| AP | 198 | Account 590 | MX_590 | 1.00000 | 0.34916 | 0.36654 | 0.23356 | 0.05074 | | |
| AP | 199 | Account 592 | MX_592 | 1.00000 | 0.34548 | 0.37523 | 0.27050 | 0.00879 | | |
| AP | 200 | Account 593 | MX_593 | 1.00000 | 0.35530 | 0.38591 | 0.24976 | 0.00904 | | |
| AP | 201 | Account 594 | MX_594 | 1.00000 | 0.37098 | 0.40294 | 0.21664 | 0.00944 | | |
| AP | 202 | Account 595 | MX_595 | 1.00000 | 0.39850 | 0.43282 | 0.15854 | 0.01014 | | |
| AP | 203 | Account 596 | MX_596 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 204 | Account 597 | MX_597 | 1.00000 | 0.71685 | 0.22384 | 0.05755 | 0.00176 | | |
| AP | 205 | Account 598 | MX_598 | 1.00000 | 0.38070 | 0.38319 | 0.21365 | 0.02247 | | |
| AP | 206 | O&M Accounts 581-589 | OX_DIST | 1.00000 | 0.47677 | 0.33449 | 0.17822 | 0.01053 | | |
| AP | 207 | O&M Accounts 591-598 | MX_DIST | 1.00000 | 0.34916 | 0.36654 | 0.23356 | 0.05074 | | |
| AP | 208 | Salaries & Wages Accounts 581-589 | SALWAGDO | 1.00000 | 0.47677 | 0.33449 | 0.17822 | 0.01053 | | |
| AP | 209 | Salaries & Wages Accounts 591-598 | SALWAGDM | 1.00000 | 0.34916 | 0.36654 | 0.23356 | 0.05074 | | |
| AP | 210 | | | | | | | | | |
| AP | 211 | Account 902 | OX_902 | 1.00000 | 0.81160 | 0.18367 | 0.00239 | 0.00234 | | |
| AP | 212 | Account 903 | OX_903 | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 213 | Account 904 | OX_904 | 1.00000 | 0.90864 | 0.07699 | 0.00305 | 0.01132 | | |
| AP | 214 | O&M Accounts 902-905 | OX_CA | 1.00000 | 0.81601 | 0.17174 | 0.00246 | 0.00979 | | |
| AP | 215 | Salaries & Wages Accounts 902-905 | SALWAGCA | 1.00000 | 0.81601 | 0.17174 | 0.00246 | 0.00979 | | |
| AP | 216 | | | | | | | | | |
| AP | 217 | Account908 | OX_908 | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 218 | Account909 | OX_909 | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 219 | Account910 | OX_910 | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 220 | O&M Accounts 908-910 | OX_CS | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 221 | Salaries & Wages Accounts 908-910 | SALWAGCS | 1.00000 | 0.80552 | 0.18229 | 0.00239 | 0.00980 | | |
| AP | 222 | | | | | | | | | |
| AP | 223 | Salaries & Wages Excluding Admin & Gen | SALWAGXAG | 1.00000 | 0.43940 | 0.30982 | 0.23838 | 0.01240 | | |
| AP | 224 | Total Salaries and Wages Expense | SALWAGES | 1.00000 | 0.43940 | 0.30982 | 0.23838 | 0.01240 | | |
| AP | 225 | | | | | | | | | |
| AP | 226 | | | | | | | | | |
| AP | 227 | | | | | | | | | |
| AP | 228 | | | | | | | | | |
| AP | 229 | | | | | | | | | |
| AP | 230 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH NO. | LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|---------|----------|-------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| AP | 231 | REVENUES AND BILLING DETERMINANTS | | | | | | | | |
| AP | 232 | | | | | | | | | |
| AP | 233 | Base Rate Sales Revenue | SALESREV | 1.00000 | 0.38609 | 0.33206 | 0.26815 | 0.01369 | | |
| AP | 234 | Other Sales Revenue | SREVOTH | 1.00000 | 0.00000 | 1.00000 | 0.00000 | 0.00000 | | |
| AP | 235 | Residential Regular Sales Revenue | SREVRESR | 1.00000 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 236 | Residential Total Electric Sales Revenue | SREVRESE | 1.00000 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 237 | Residential Total Electric Demand Sales Rev | SREVRESED | 1.00000 | 1.00000 | 0.00000 | 0.00000 | 0.00000 | | |
| AP | 238 | GS Regular Sales Revenue | SREVSGSR | 1.00000 | 0.00000 | 1.00000 | 0.00000 | 0.00000 | | |
| AP | 239 | GS Total Electric Sales Revenue | SREVSGSE | 1.00000 | 0.00000 | 1.00000 | 0.00000 | 0.00000 | | |
| AP | 240 | GS Total Other Sales Revenue | SREVSGSO | 1.00000 | 0.00000 | 1.00000 | 0.00000 | 0.00000 | | |
| AP | 241 | GSL Secondary | SREVGSL S | 1.00000 | 0.00000 | 0.00000 | 1.00000 | 0.00000 | | |
| AP | 242 | GSL Primary | SREVGSLP | 1.00000 | 0.00000 | 0.00000 | 1.00000 | 0.00000 | | |
| AP | 243 | GSL Other | SREVGSL O | 1.00000 | 0.00000 | 0.00000 | 1.00000 | 0.00000 | | |
| AP | 244 | Traffic Signals & Flashers | SREVT S F | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 245 | Private Area Lighting Leased | SREVPAL | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 246 | Street Lighting Leased | SREVSL | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 247 | Street Lighting Energy & Maint Cust Owned | SREVSLEM | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 248 | Street Lighting Non-Metered Services/Rentals | SREVSLSR | 1.00000 | 0.00000 | 0.00000 | 0.00000 | 1.00000 | | |
| AP | 249 | | | | | | | | | |
| AP | 250 | Claimed Rate Sales Revenue | CLAIMREV | 1.00000 | 0.38047 | 0.32198 | 0.28552 | 0.01204 | | |
| AP | 251 | | | | | | | | | |
| AP | 252 | <u>PRESENT REVENUES FROM SALES INPUT</u> | | | | | | | | |
| AP | 253 | | | | | | | | | |
| AP | 254 | Total Sales of Electricity Revenues | | 1.00000 | 0.38609 | 0.33206 | 0.26815 | 0.01369 | | |
| AP | 255 | | | | | | | | | |
| AP | 256 | Sales of Electricity Revenues | | 1.00000 | 0.38609 | 0.33206 | 0.26815 | 0.01369 | | |
| AP | 257 | | | | | | | | | |
| AP | 258 | | | | | | | | | |
| AP | 259 | | | | | | | | | |
| AP | 260 | | | | | | | | | |
| AP | 261 | | | | | | | | | |
| AP | 262 | | | | | | | | | |
| AP | 263 | | | | | | | | | |
| AP | 264 | | | | | | | | | |
| AP | 265 | | | | | | | | | |
| AP | 266 | | | | | | | | | |
| AP | 267 | | | | | | | | | |
| AP | 268 | | | | | | | | | |
| AP | 269 | | | | | | | | | |
| AP | 270 | | | | | | | | | |
| AP | 271 | | | | | | | | | |
| AP | 272 | | | | | | | | | |
| AP | 273 | | | | | | | | | |
| AP | 274 | | | | | | | | | |
| AP | 275 | | | | | | | | | |
| AP | 276 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
 Page 33 of 35

| SCH | LINE | DESCRIPTION | ALLOCATION | TOTAL | RESIDENTIAL | GENERAL | GS LARGE/ INDUSTRIAL | LIGHTING | | |
|-----|------|-------------------------------------------------------|------------|-----------------|-------------|----------|-------------------------|----------|-----|-----|
| NO. | NO. | (a) | BASIS | SOUTH DAKOTA | SERVICE | SERVICE | CONTRACT | SERVICE | (j) | (f) |
| | | | (b) | (c) | (d) | (e) | (h) | (i) | | |
| ADA | 1 | ALLOCATED DIRECT ASSIGNMENTS | | | | | | | | |
| ADA | 2 | DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS | | | | | | | | |
| ADA | 3 | | | | | | | | | |
| ADA | 4 | Write-Offs | | | | | | | | |
| ADA | 5 | Other Sales Revenue | SREVOTH | 0 | 0 | 0 | 0 | 0 | | |
| ADA | 6 | Residential Regular Sales Revenue | SREVRESR | 373,943 | 373,943 | 0 | 0 | 0 | | |
| ADA | 7 | Residential Total Electric Sales Revenue | SREVRESE | 114,958 | 114,958 | 0 | 0 | 0 | | |
| ADA | 8 | Residential - Demand | SREVRESD | 19,889 | 19,889 | 0 | 0 | 0 | | |
| ADA | 9 | GS Regular Sales Revenue | SREVSGSR | 37,973 | 0 | 37,973 | 0 | 0 | | |
| ADA | 10 | GS Total Electric Sales Revenue | SREVSGSE | 2,233 | 0 | 2,233 | 0 | 0 | | |
| ADA | 11 | GS Other | SREVSGSO | 2,904 | 0 | 2,904 | 0 | 0 | | |
| ADA | 12 | GSL Secondary | SREVGSLS | 1,710 | 0 | 0 | 1,710 | 0 | | |
| ADA | 13 | GSL Primary | SREVGSLP | 0 | 0 | 0 | 0 | 0 | | |
| ADA | 14 | Private Area Lighting Leased | SREVPAL | 5,891 | 0 | 0 | 0 | 5,891 | | |
| ADA | 15 | Street Lighting Leased | SREVSL | 0 | 0 | 0 | 0 | 0 | | |
| ADA | 16 | Street Lighting Energy & Maint Cust Owned | SREVSLEM | 0 | 0 | 0 | 0 | 0 | | |
| ADA | 17 | Street Lighting Non-Metered Services/Rentals | SREVLSLR | 447 | 0 | 0 | 0 | 447 | | |
| ADA | 18 | Total Write-Offs | EXP_904 | 559,948 | 508,790 | 43,110 | 1,710 | 6,338 | | |
| ADA | 19 | | | | | | | | | |
| ADA | 20 | Total Write-Offs | EXP_904 | 1.00000 | 0.90864 | 0.076989 | 0.003054 | 0.01132 | | |
| ADA | 21 | | | | | | | | | |
| ADA | 22 | Customer Advances for Construction | | | | | | | | |
| ADA | 23 | Other | DPLTOTH | 19,597 | 0 | 19,597 | 0 | 0 | | |
| ADA | 24 | Residential Regular | DPLTRESR | 706,872 | 706,872 | 0 | 0 | 0 | | |
| ADA | 25 | Residential Total Electric | DPLTRESE | 100,158 | 100,158 | 0 | 0 | 0 | | |
| ADA | 26 | Residential Electric Demand | DPLTRESL | 94,224 | 94,224 | 0 | 0 | 0 | | |
| ADA | 27 | GS Regular | DPLTGSR | 496,828 | 0 | 496,828 | 0 | 0 | | |
| ADA | 28 | GS Total Electric | DPLTGSE | 0 | 0 | 0 | 0 | 0 | | |
| ADA | 29 | GSL Secondary | DPLTGSLS | 0 | 0 | 0 | 0 | 0 | | |
| ADA | 30 | GSL Primary | DPLTGSLP | 0 | 0 | 0 | 0 | 0 | | |
| ADA | 31 | | | | | | | | | |
| ADA | 32 | Customer Advances for Construction | CUSTADV | 1,417,679 | 901,254 | 516,425 | 0 | 0 | | |
| ADA | 33 | | | | | | | | | |
| ADA | 34 | Customer Advances for Construction | CUSTADV | 1.00000 | 0.63573 | 0.364275 | 0.000000 | 0.00000 | | |
| ADA | 35 | | | | | | | | | |
| ADA | 36 | | | | | | | | | |
| ADA | 37 | | | | | | | | | |
| ADA | 38 | | | | | | | | | |
| ADA | 39 | | | | | | | | | |
| ADA | 40 | | | | | | | | | |
| ADA | 41 | | | | | | | | | |
| ADA | 42 | | | | | | | | | |
| ADA | 43 | | | | | | | | | |
| ADA | 44 | | | | | | | | | |
| ADA | 45 | | | | | | | | | |
| ADA | 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

| SCH LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|--------------|-------------------------------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| ADA 1 | ALLOCATED DIRECT ASSIGNMENTS | | | | | | | | |
| ADA 2 | DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS | | | | | | | | |
| ADA 3 | | | | | | | | | |
| ADA 4 | DSM | | | | | | | | |
| ADA 5 | Other Sales Revenue | SREVOTH | 19,042 | 0 | 19,042 | 0 | 0 | | |
| ADA 6 | Residential Regular Sales Revenue | SREVRESR | 296,203 | 296,203 | 0 | 0 | 0 | | |
| ADA 7 | Residential Total Electric Sales Revenue | SREVRESE | 73,705 | 73,705 | 0 | 0 | 0 | | |
| ADA 8 | Residential - Demand | SREVRESED | 76,894 | 76,894 | 0 | 0 | 0 | | |
| ADA 9 | GS Regular Sales Revenue | SREVSGSR | 270,381 | 0 | 270,381 | 0 | 0 | | |
| ADA 10 | GS Total Electric Sales Revenue | SREVSGSE | 32,010 | 0 | 32,010 | 0 | 0 | | |
| ADA 11 | GS Other | SREVSGSO | 13,868 | 0 | 13,868 | 0 | 0 | | |
| ADA 12 | GSL Secondary | SREVGSL S | 179,137 | 0 | 0 | 179,137 | 0 | | |
| ADA 13 | GSL Primary | SREVGSL P | 57,072 | 0 | 0 | 57,072 | 0 | | |
| ADA 14 | Traffic Signals & Flashers | SREVT S F | 529 | 0 | 0 | 0 | 529 | | |
| ADA 15 | Private Area Lighting Leased | SREVPAL | 3,188 | 0 | 0 | 0 | 3,188 | | |
| ADA 16 | Street Lighting Leased | SREVSL | 2,869 | 0 | 0 | 0 | 2,869 | | |
| ADA 17 | Street Lighting Energy & Maint Cust Owned | SREVSLEM | 4,636 | 0 | 0 | 0 | 4,636 | | |
| ADA 18 | Street Lighting Non-Metered Services/Rentals | SREVSLSR | 0 | 0 | 0 | 0 | 0 | | |
| ADA 19 | Total DSM | SREVDSM | 1,029,534 | 446,802 | 335,301 | 236,209 | 11,222 | | |
| ADA 20 | | | | | | | | | |
| ADA 21 | Total DSM | SREVDSM | 1.00000 | 0.43398 | 0.325682 | 0.229433 | 0.01090 | | |
| ADA 22 | | | | | | | | | |
| ADA 23 | | | | | | | | | |
| ADA 24 | | | | | | | | | |
| ADA 25 | | | | | | | | | |
| ADA 26 | | | | | | | | | |
| ADA 27 | | | | | | | | | |
| ADA 28 | | | | | | | | | |
| ADA 29 | | | | | | | | | |
| ADA 30 | | | | | | | | | |
| ADA 31 | | | | | | | | | |
| ADA 32 | | | | | | | | | |
| ADA 33 | | | | | | | | | |
| ADA 34 | | | | | | | | | |
| ADA 35 | | | | | | | | | |
| ADA 36 | | | | | | | | | |
| ADA 37 | | | | | | | | | |
| ADA 38 | | | | | | | | | |
| ADA 39 | | | | | | | | | |
| ADA 40 | | | | | | | | | |
| ADA 41 | | | | | | | | | |
| ADA 42 | | | | | | | | | |
| ADA 43 | | | | | | | | | |
| ADA 44 | | | | | | | | | |
| ADA 45 | | | | | | | | | |
| ADA 46 | | | | | | | | | |

BLACK HILLS POWER, INC.
PER BOOK RETAIL ELECTRIC CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2012

Statement O
 Cost of Service Study
 Page 35 of 35

| SCH LINE NO. | DESCRIPTION | ALLOCATION BASIS | TOTAL SOUTH DAKOTA | RESIDENTIAL SERVICE | GENERAL SERVICE | GS LARGE/ INDUSTRIAL CONTRACT | LIGHTING SERVICE | (j) | (f) |
|--------------|-------------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|------------------|-----|-----|
| | (a) | (b) | (c) | (d) | (e) | (h) | (i) | | |
| RRW 1 | REVENUE REQUIREMENTS | | | | | | | | |
| RRW 2 | | | | | | | | | |
| RRW 3 | PRESENT RATES | | | | | | | | |
| RRW 4 | ----- | | | | | | | | |
| RRW 5 | RATE BASE | | 419,222,711 | 153,092,194 | 152,890,957 | 107,711,363 | 5,528,198 | | |
| RRW 6 | NET OPER INC (PRESENT RATES) | | 32,697,235 | 12,399,062 | 12,965,107 | 6,749,150 | 583,917 | | |
| RRW 7 | RATE OF RETURN (PRES RATES) | | 7.80% | 8.10% | 8.48% | 6.27% | 10.56% | | |
| RRW 8 | RELATIVE RATE OF RETURN | | 1.00 | 1.04 | 1.09 | 0.80 | 1.35 | | |
| RRW 9 | SALES REVENUE (PRE RATES) | | 138,472,112 | 53,463,066 | 45,981,255 | 37,131,743 | 1,896,049 | | |
| RRW 10 | REVENUE PRES RATES \$/KWH | | \$0.0951 | \$0.1077 | \$0.1097 | \$0.0706 | \$0.1352 | | |
| RRW 11 | REVENUE REQUIRED - \$/MO/CUST | | \$2,127.04 | \$1,020.89 | \$3,851.21 | \$0.00 | \$2,976.53 | | |
| RRW 12 | SALES REV REQUIRED \$/KW | | \$41.70 | \$128.18 | \$29.27 | \$27.86 | \$0.00 | | |
| RRW 13 | | | | | | | | | |
| RRW 14 | CLAIMED RATE OF RETURN | | | | | | | | |
| RRW 15 | ----- | | | | | | | | |
| RRW 16 | CLAIMED RATE OF RETURN | | 8.54% | 8.54% | 8.54% | 8.54% | 8.54% | | |
| RRW 17 | RETURN REQ FOR CLAIMED ROR | | 35,801,619 | 13,074,073 | 13,056,888 | 9,198,550 | 472,108 | | |
| RRW 18 | SALES REVENUE REQ CLAIMED ROR | | 143,248,208 | 54,501,571 | 46,122,460 | 40,900,146 | 1,724,031 | | |
| RRW 19 | REVENUE DEFICIENCY SALES REV | | 4,776,096 | 1,038,505 | 141,205 | 3,768,403 | (172,018) | | |
| RRW 20 | PERCENT INCREASE REQUIRED | | 3.45% | 1.94% | 0.31% | 10.15% | -9.07% | | |
| RRW 21 | ANNUAL BOOKED KWH SALES | | 1,455,583,600 | 496,446,720 | 419,125,988 | 525,983,250 | 14,027,642 | | |
| RRW 22 | SALES REV REQUIRED \$/KWH | | \$0.0984 | \$0.1098 | \$0.1100 | \$0.0778 | \$0.1229 | | |
| RRW 23 | REVENUE DEFICIENCY \$/KWH | | \$0.0033 | \$0.0021 | \$0.0003 | \$0.0072 | (\$0.0123) | | |
| RRW 24 | | | | | | | | | |
| RRW 25 | | | | | | | | | |
| RRW 26 | | | | | | | | | |
| RRW 27 | | | | | | | | | |
| RRW 28 | | | | | | | | | |
| RRW 29 | | | | | | | | | |
| RRW 30 | | | | | | | | | |
| RRW 31 | | | | | | | | | |
| RRW 32 | | | | | | | | | |
| RRW 33 | | | | | | | | | |
| RRW 34 | | | | | | | | | |
| RRW 35 | | | | | | | | | |
| RRW 36 | | | | | | | | | |
| RRW 37 | | | | | | | | | |
| RRW 38 | | | | | | | | | |
| RRW 39 | | | | | | | | | |
| RRW 40 | | | | | | | | | |
| RRW 41 | | | | | | | | | |
| RRW 42 | | | | | | | | | |
| RRW 43 | | | | | | | | | |
| RRW 44 | | | | | | | | | |
| RRW 45 | | | | | | | | | |
| RRW 46 | | | | | | | | | |