## Section H

**20:10:13:80.** Statement H -- Operation and Maintenance Expense. Statement H shall show the electric or gas operation and maintenance expenses according to each account of the FERC's uniform systems of accounts for public utilities and licensees or for gas companies. The expenses shall be shown under appropriate columnar headings as follows, with subtotals for each functional classification:

(1) Operation and maintenance expense as booked, for the test period and the total for the test period;

(2) Claimed adjustments, if any, to expenses as booked;

(3) Total adjusted operation and maintenance expenses claimed.

Detailed explanations of the adjustments, if any, and the manner of their determination shall be supplied, specifying the month or months during which the adjustments would be applicable. Information required in §§ 20:10:13:81 to 20:10:13:84, inclusive, shall be submitted as part of statement H.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL <u>49-34A-7</u>, <u>49-34A-10</u>, <u>49-34A-12</u>, <u>49-34A-41</u>.

A summary of the Schedule H schedules/adjustments descriptions are listed below:

1. Wages and Salaries Adjustment

- 2. Purchased Power Detail Listing
- 3. Listed Expense Accounts
- 4. Intercompany Black Hills Service Company Charges
- 5. Intercompany Black Hills Utility Holdings Charges
- 6. Employee Pension and Benefits Adjustment
- 7. Bad Debt Adjustment
- 8. Generation Dispatch and Scheduling Cost Detail
- 9. Energy Cost Adjustment Expense Elimination
- 10. Neil Simpson Complex Shared Facilities Adjustment
- 11. Removal of Unallowed Advertising Expense
- 12. Power Marketing Expense Adjustment
- 13. Outside Consulting Related to Rate Case

14. Vegetation Management Adjustment

15. CPGS Operations and Maintenance Adjustment

16. Ben French - Severance Expense Adjustment

17. Neil Simpson Complex - Common Steam Allocation

18. Ben French, Osage, and Neil Simpson I O&M Elimination Adjustment

19. FutureTrack Workforce Development Program

20. 69 kV LIDAR Surveying Project

21. Customer Service Model Adjustment

### Section H

**20:10:13:81.** Schedule H-1 -- Adjustments to Operating and Maintenance Expenses. Schedule H-1 shall show the 12 months of actual test period experience and the claimed adjustments thereto, if any, by functional classifications. It shall also show the separate amounts for labor and other charges included in the operation and maintenance expenses for each functional classification per books and as adjusted. If operation and maintenance expenses as presented per the books reflect any special accrual or equalization accounting entries for internal purposes, the effect thereof shall be fully disclosed and explained. Any amounts not currently payable, except depreciation charged through clearing accounts included in operation and maintenance expenses, shall be fully explained.

**Source:** 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

This Schedule shows the wages and salaries adjustment, including union and non-union wage increases, removal of Neil Simpson I labor costs and employee additions.

## Section H

20:10:13:82. Schedule H-2 -- Cost of Power and Gas. Schedule H-2 shall show the total annual cost of power or gas purchased for the 12 months test period of actual experience, the claimed adjustments, if any, and the total adjusted cost for the test period detailed by contract or rate schedule designation. If any of the prices are effective subject to refund, there shall be shown by contract and by commission docket number for the test period, the rate and the amount paid subject to refund.

If the utility purchases and sells power under exchange or pooling agreements, the method of recording on books, total gross receipts and deliveries exchanged, total gross dollar amounts involved for such receipts and deliveries and details of such exchanges shall be submitted.

If the utility records any amount on its own books in a given month during the 12month test period which applies to power or gas purchases or sales for a previous month or other period, a schedule indicating the months involved, the payment and volumes and the months to which such transactions are applicable, shall be submitted.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 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.

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## Section H

**20:10:13:83.** Schedule H-3 -- Working Papers for Listed Expense Accounts. With respect to the following listed expense accounts, schedule H-3 shall be furnished as designated for the 12 months of the test period and for claimed adjustments. This schedule shall include analytical details which will clearly disclose for each account a classification of principal charges and credits with all minor items grouped; particulars of supporting computations and accounting bases; a description of the services and related dollar amounts for which liability is incurred or accrued; and the name of the firm or individual rendering such services for these accounts where applicable:

(1) Accounts 909, 913, and 930, advertising expenses. For each category of advertising expense required to be filed pursuant to § 20:10:23:02 the utility shall submit a list of all advertisements claimed and filed pursuant to § 20:10:23:03, indicating the categorization of each advertisement. Representative samples of each category shall also be included.

(2) Account 922, administration expenses transferred -- credit;

(3) Account 926, employee pensions and benefits;

(4) Account 928, regulatory commission expenses;

(5) Account 929, duplicate charges -- credit;

(6) Account 930, miscellaneous general expenses.

Source: 2 SDR 90, effective July 7, 1976; 5 SDR 1, effective July 25, 1978; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

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General Authority:SDCL <u>49-34A-4.</u>

Law Implemented:SDCL <u>49-34A-10</u>, <u>49-34A-12</u>, <u>49-34A-41</u>.

## Section H

**20:10:13:84.** Schedule H-4 -- Working Papers for Interdepartmental Transactions. If the expense accounts contain charges or credits from associated companies or nonutility departments of the utility, schedule H-4 shall be submitted for each such associated company or nonutility department showing the following:

(1) The amount of the charges or credits during the test period;

(2) The FERC account classification or classifications charged or credited;

(3) Descriptions of the specific services performed for or by the associated company or nonutility department;

(4) Complete particulars as to the bases used in determining the amounts of the charges or credits.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL <u>49-34A-10</u>, <u>49-34A-12</u>, <u>49-34A-41</u>.

This Schedule shows amounts charges by Black Hills Service Company to Black Hills Power for the twelve months ending September 30, 2013.

## Section H

Schedule H-5 – Intercompany Transactions Adjustment. This Schedule shows amounts charges by Black Hills Utility Holdings to Black Hills Power for the twelve months ending September 30, 2013, along with the pro forma adjustment. The total increase is shown as an adjustment in column (c), and is adjusted in Statement H, column (c).

## Section H

Schedule H-6 – Employee Pension and Benefits Adjustment. This Schedule adjusts the per books benefit costs in column (a) to a pro forma benefit cost in column (b). The total increase is shown as an adjustment in column (c), and is adjusted in Statement H, column (d).

## Section H

Schedule H-7 – Bad Debt Adjustment. This Schedule represents the calculation to normalize bad debt expense using a three year historical period. Once calculated, the average rate is applied to the adjusted revenue amount to determine the expected bad debt expense. The decrease to bad debt expense is adjusted in Statement H, column (e).

## Section H

Schedule H-8 – Generation Dispatch and Scheduling Cost Detail. This Schedule shows the calculation of generation dispatch and scheduling costs. Lines 2 - 10 show the total amount related to generation dispatch and scheduling for the pro forma test year. Total generation dispatch costs are then allocated based on a power plant capacity. The percent of capacity that is related to Black Hills Power is on line 61 and is multiplied by line 10 to determine the amount of expense for Black Hills Power. This amount is compared to the amount recorded during the test year, and the difference is shown on line 73, and is adjusted in Statement H, column (f).

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## Section H

# Schedule H-9 – Energy Cost Adjustment Expense Elimination. This Schedule removes all the costs that are collected through the Energy Cost Adjustment from the test

year. This decrease is adjusted in Statement H, column (g).

## Section H

Schedule H-10 – Neil Simpson Complex Shared Facilities Adjustment. This Schedule compares Black Hills Power's per books expenses for the Neil Simpson Complex Shared Facilities to the pro forma expenses based on pooled expensed net capacity allocators. The difference is shown on line 23 and adjusted in Statement H, column (h).

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## Section H

Schedule H-11 – Removal of Unallowed Advertising Expense. This Schedule summarizes the advertising costs by FERC account that have been removed from the test year. The total decrease is shown as an adjustment on Line 14, and is adjusted in Statement H, column (i).

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## Section H

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Schedule H-12 – Power Marketing Expense Adjustment. This schedule adjusts expenses related to Power Marketing. The total decrease is shown as an adjustment on Line 12, and is adjusted in Statement H, column (j).

## Section H

Schedule H-13 – Outside Consulting Related to Rate Case. This Schedule is a listing of expected rate case expenditures. One-third of the total amount, plus the annual amortization established in Docket EL12-061, is going to an expense, as an adjustment on Statement H, column (k) and the remaining unamortized amount is taken to line 10 on Statement D page 2, column (b) and included as rate base.

## Section H

Schedule H-14 – Vegetation Management Adjustment. This Schedule adjusts the test year costs related to vegetation management to the amount approved in the Stipulation in Docket EL12-061. The decrease is adjusted in Statement H, column (l).

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## Section H

Schedule H-15 – CPGS Operations and Maintenance Adjustment. This Schedule provides a listing by FERC account of projected expenses to operate and maintain CPGS during a normal year. The total expense is shown on line 14 and is adjusted in Statement H, column (m).

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## Section H

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Schedule H-16 – Ben French - Severance Expense Adjustment. This Schedule provides for the removal of severance payments for Ben French plant employees in the test year. The adjustment is on Statement H, column (n).

## Section H

Schedule H-17 – Neil Simpson Complex – Common Steam Allocation. This Schedule shows the calculation of costs related to Neil Simpson Complex Common Steam Facilities. Lines 1-9 show the total amount for the pro forma test year. Total costs are then allocated based on power plant capacity. The percent of capacity that is related to Black Hills Power is on line 27 and is multiplied by line 9 to determine the amount of expense for Black Hills Power. This amount is compared to the amount recorded during the test year, and the difference is shown on line 33, and is adjusted in Statement H, column (o).

## Section H

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## Schedule H-18 - Ben French, Osage, and Neil Simpson I O&M Elimination

Adjustment. This Schedule provides for the removal of operating and maintenance expenses related to discontinuance of operations at the Ben French, Osage, and Neil Simpson I power plants. The adjustment is on Statement H, column (p).

## Section H

Schedule H-19 – FutureTrack Workforce Development Program. This Schedule reflects the annual expenses by FERC account associated with the FutureTrack Workforce Development Program. The adjustment is on Statement H, column (q).

## Section H

Schedule H-20 – 69 kV LIDAR Surveying Project. This Schedule adjusts for Black Hills Power's LIDAR surveying project on its 69 kV transmission system. The amortized amount on line 6 is adjusted on Statement H, column (r) and the unamortized amount on line 11 is included in Other Rate Base Reductions in Statement M, column (b).

## Section H

Schedule H-21 – Customer Service Model Adjustment. This Schedule reflects the cost reductions as a result of Black Hills Power's customer service model changes. The total decrease is adjusted in Statement H, column (s).

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Adjustments (b) (c) (d) (e) (g) (h) (i) (f) Sched H-1 Sched H-5 Sched H-6 Sched H-7 Sched H-8 5ched H-9 Sched H-10 Sched H-11 Sched H-12

Line	FERC											
No.	Acct. #	Description	Per Books	Sched H-1	Sched H-5	Sched H-6	Sched H-7	Sched H-8	5ched H-9	Sched H-10	Sched H-11	Sched H-12
1		Steam Production Operation:										
2	500	Supervision & Engineering	\$ 1,842,155	\$-	\$ -	\$ -	s -	s -	\$ -	\$-	s -	s -
3	501	Fuel	861,472	-		-	-		(828,225)		•	· .
4	501.1	Steam Power Fuel - Gas	201,197	-	-	-	-	-	(200,869)	-	-	-
5	501.2	Steam Power Fuel - Oil	360,940	-	-	-	-		(102,022)	•	-	-
6	501.3	Steam Power Fuel - Coal	18,937,520	-	-	-	-	-	(16,351,171)	-	-	(717,714)
7	501.4	Steam Power Fuel - Transportation	· · ·	-	-	-	-	-	-	•	-	-
8	502	Steam Expense	2,806,144	444,615	-	-	-	-	(1,011,946)	-	-	-
9	505	Electric Expense	1,308,594	-	-	-	-	-		-	-	-
10	506	Miscellaneous	894,759	-	-	-	-	-	-	-	-	-
11	507	Rent	2,405,734	-	-	-	-	-	-	655,113	-	-
12	509	Allowances	-	-	-	-	-	-	-	· · ·	-	-
13		Total Steam Production Operation	29,618,514	444,615		-	-	-	(18,494,233)	655,113	-	(717,714)
14		•								•		(
15		Steam Production Maintenance:										
16	510	Supervision & Engineering	1,454,714	295,658	-	-	-	· .	-	-	-	-
17	511	Structures	820,283		-		-	-	-	-	-	_
18	512	Boilers	3,555,970	-	-	-	-	-	-	-	-	-
19	513	Electric Plant	787,972	-	-	-		-	-	-		-
20	514	Miscellaneous Plant	154,760	-	-	-	-	-	-	-	-	-
21		Total Steam Production Maintenance	6,773,700	295,658	-	-	-	-	-	-	-	-
22												
23		Total Steam Production Expense	36,392,214	740,273	-	-	-	-	(18,494,233)	655,113	-	(717,714)
24		<b>-</b>							(,,	,		(/ 1/// 1/)
25		Other Production Operation:										
26	546	Supervision & Engineering	251,045	-	-		-	-	-		_	_
27	547	Fuel	2,623,531	-	-	•	-	-	(1,759,552)		_	(863,979)
28	548	Generation Expense	541,835	52,540	-	-			(2),00,002	-	-	(003,575)
29	549	Miscellaneous	138,273	-	-	-	-	-	-	-	-	
30	550	Rents	227,411	_	_		-	-	_	_	_	
31	550	Total Other Production Operation	3,782,095	52,540		-	-		(1,759,552)			(863,979)
32		ieus otser riotectes operation	5,702,055	52,540					(1)/00/002/			(003,075)
33		Other Production Maintenance:										
34	551	Supervision & Engineering	198,959	-	-	-	-	-	-	-	-	-
35	552	Structures	7,229	-	-	-	-	-			-	_
36	553	Electric Plant	1,068,053	41,726			-	-		_	_	_
37	554	Miscellaneous Plant	89,367		-	-	-	-	-	-	-	-
38	556	System Control and Load Dispatch	1,409,474	-	(42,735	5) -	-	107,964	-		_	(213,765)
39	557	Other Expenses	2,000		,,. -	., .	-		-		_	(213,703)
40		Total Other Production Maintenance	2,775,081	41,726	(42,735	5) -	-	107,964	-	-		(213,765)
41			_ <b>, ,</b>									(210,700)
42		Total Other Production Expense	6,557,176	94,266	(42,735	5) -	-	107,964	(1,759,552)	_	_	(1,077,744)
43		······	-,,		· · · · · · ·	.,		,	(1)/00/002/			(1,077,744)
44		Other Power Supply:										
45	555	Purchased Power - Energy	38,497,099	-	-		-	-	(13,266,017)	-	_	(25,231,082)
46	555	Purchased Power - Capacity	7,192,960	-	-	-	-		(10,200,017)		-	[23,231,062]
47		Total Other Power Supply	45,690,059		-		-		(13,266,017)	-		(25,231,082)
48									(13,200,017)		-	(23,231,082)
49		Total Production Expenses	88,639,450	834,539	(42,735	51 -	-	107,964	(33,519,802)	655,113		(27,026,540)
50			,,	,	(,/02	,		107,504	(20,010,002)		-	(27,020,340)
51		Transmission Operations:										
52	560	Supervision & Engineering	746,053	-	128,916	5 -	-	-	-	_		
53	561	Load Dispatch	2,203,505	-	284,163		_	-	-	-	-	-
			2,200,000	_	204,10.	, .	-	-	-	-	-	-

(a)

Line

FERC

Statement H Page 1 of 6

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								Adjustments				
			(a)	(ь)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	()}
Line	FERC											
No-	Acct. #	Description	Per Books	Sched H-1	Sched H-5	Sched H-6	Sched H-7	Sched H-8	Sched H-9	Sched H-10	Sched H-11	Sched H-12
54	562	Station Equipment	280,360	35,110	-	-	-	-	-	-	-	-
55	563	Overhead Lines	80,121	-	-	-	-	-	-	-	-	*
56	565	Transmission of Electricity by Others	18,741,890	-	-	-	-	-	(17,732,568)	-	-	(1,009,322)
57	566	Miscellaneous	131,053	-	-	+	-	•	-	-	-	-
58	567	Rents		-		-					-	<u> </u>
59		Total Transmission Operations	22,182,983	35,110	413,079	-	-	-	(17,732,568)	-	-	(1,009,322)
60												
61		Transmission Maintenance:										
62	568	Supervision & Engineering	55	-	-	-	-	-	-	-	-	-
63	569	Structures	-	-	-	-	•	-	-	-	-	٠
64	570	Station Equipment	143,595	7,469		-	-	-	-	-	-	-
65	571	Overhead Lines	76,749	-	-	~	-	~	-	-	-	-
66	572	Underground Lines	-	-	-	-	-	-	•	-	-	-
67	573	Miscellaneous	1,108			-		<u> </u>		-	-	
68		Total Transmission Maintenance	221,506	7,469	-	-				-	-	-
69												
70		Total Transmission Expenses	22,404,489	42,579	413,079	-	-	-	(17,732,568)	~	-	(1,009,322)
71												
72		Distribution Operations:										
73	580	Supervision	1,411,833	245,746	-	-	-	-	-	-	-	-
74	581	Load Dispatch	296,825	-	344,724	-	-	-	-	-	-	-
75	582	Station Equipment	449,127	-	-	•	-	-	-	-	-	-
76	583	Overhead Lines	486,01.6	-	-	-	-	•	-	-	-	-
77	584	Underground Lines	305,099	-	-	-	-	-	-	-	-	-
78	585	Street Lighting	1		•	-	-	-	-	-	-	-
79	586	Metering	786,540	-	-	-	-	•	-	-	-	
80	587	Customer Installations	22,751	-	-	-	-	-	-	-	-	-
81	588	Miscellaneous	366,951	-	-	-		-	-	-	-	-
82	589	Rents	17,727	-	-	-	-	-	-	-	-	
83		Total Distribution Operations	4,142,880	245,746	344,724				-			
84		·····										
85		Distribution Maintenance:										
86	590	Supervision	1,250	-	-	-	-		-	-		-
87	591	Structures		-		-	-		-	-	-	-
88	592	Station Equipment	287,790	-	-	-	-	-	-	-	-	
89	593	Overhead Lines	3,459,372	146,514	21,799	-	-	-	-	-	-	-
90	594	Underground Lines	234,388	-		-		-	_	-	-	-
91	595	Transformers	47,646	-		-	-		_		_	
92	596	Street Lighting	56,846			-		_			_	
93	597	Metering	69,156		_	-	_		_		_	-
94	598	Miscellaneous	94,932	_		_	_	-		-	-	-
95	200	Total Distribution Maintenance	4,251,379	146,514	21,799							·
96			4,001,010	140,514	21,755		-	-	-	-	-	-
97		Total Distribution Expenses	8,394,259	392,260	366,523			_	_	_	_	
98			0,00 1,		500,510					-	-	•
99		Customer Accounting Expense:										
100	901	Supervision	54,121	-	-	-	-	_	_		(963	
101	902	Meter Reading	19,927	_	-	-	-	-	-	-	(963)	-
102	903	Customer Records and Collection Expenses	1,589,608	85,749	(250,952)	-	-	-	-	-		-
102	904	Uncollectible Accounts	440,879	03,749	(200,952)	-	- (20,937)	-	-	-	(274)	-
103	905	Miscellaneous	603,770	-	-	-	(20,937)	•	-	-	-	-
104		Total Customer Accounting Expense	2,708,305	85,749	(250,952)		(20.07-1		<u> </u>			
105		total character wernaugus exherite	2,708,305	80,749	(250,952)	+	(20,937)	-	-	-	(1,237)	-

Statement H Page 2 of 6

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Statement H

Page 3 of 6

					Adjustments							
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(i)
Line No.	FERC Acct. #	Description	Per Books	Sched H-1	Sched H-5	Sched <u>H-6</u>	Sched H-7	Sched H-8	Sched H-9	Sched H-10	Sched H-11	Sched H-12
107		Customer Service Expense:										
108	907	Supervision	204,020	-	-	-	-	-	-	-	-	-
109	908	Customer Assistance	1,169,153	52,709	-	-	-	-	-	-	(10,097)	-
110	909	Advertisement	12,439		-	-	-	-	-	-	-	-
111	910	Miscellaneous	70,687	-	-	-	-	-	-	-	(9,514)	-
112		Total Customer Service Expense	1,456,300	52,709	-	-	-	-	-	-	(19,611)	-
113												
114		Total Customer Expenses	4,164,605	138,458	(250,952)	-	(20,937)	-	-	-	(20,848)	-
115												
116		Sales Expense:									2	
117	912	Demonstrating and Selling Expenses	30,262	-	•	-	-	-	-	-	(314)	-
118 119	913	Advertising Expenses	46			-		-		<u> </u>	(46)	<u> </u>
119		Total Sales Expense	30,308	-	-	-	-	-	-	-	(360)	-
120		Administrative & General Expense:										
121	920	Administrative & General Expense: Administrative Salaries	17,764,852	280,908	1.073.315							
122	920	Office Supplies & Expense	3,390,683	200,908	1,073,315	-	-	-	-	-	-	-
125	922	A&G Expense Transferred	(43,983)	-	144,945	-	•	-	-	-	(20,593)	-
124	923	Outside Services	2,478,225	-	424,111	-	-	-	-	-	(591)	-
126	924	Property Insurance	797,583	•	424,111 58,774		•	-	-	-	-	-
127	925	Injuries and Damages	2,599,153		(29,886)			-	-	-	-	-
128	926	Pensions & Benefits	214.670	-	162,170	334,319			-	-	-	-
129	928	Regulatory Commission	550,134	-		-,			_	-	-	-
130	930.1	General Advertising	253,269		_	_	_			=	(215,449)	-
131	930.2	Miscellaneous General	1,244,344	-	26,927	-	-	_	_		(1,099)	
132	931	Rents	562,807		(17,768)	-	-	_	_		(1,055)	_
133	935	Maintenance of General Plant	1,283,197	-	(25,482)	-	-		-	-	-	-
134		Total Administrative & General Expense	31,094,936	280,908	1,817,104	334,319		-			(237,732)	
135		·····	, ,,	,	_,,+	00.,010				-	(237,732)	-
136		Total Operating & Maintenance Expense	\$ 154,728,047	\$ 1,688,744	\$ 2,303,019	\$ 334,319	\$ (20,937)	\$ 107,964	\$ (51,252,370)	\$ 655,113	\$ (258,940)	\$ (28,035,862)
137		· · · · · · · · · · · · · · · · · · ·	·	,	,- 10,010		+ (20)0077	+ 107,204	÷ (02)202,0701	- 055,115	÷ (200,040)	÷ (20,000,002)
138												

Sched H-1 Wages and Salaries Adjustment Sched H-5 Intercompany Black Hills Utility Holdings Charges

- Sched H-6 Employee Pension and Benefits Adjustment
- Sched H-7 Bad Debt Adjustment

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- Sched H-8 Generation Dispatch and Scheduling Cost Detail
- Sched H-9 Energy Cost Adjustment Expense Elimination
- Sched H-10 Neil Simpson Complex Shared Facilities Adjustment
- Sched H-11 Removal of Unallowed Advertising Expense
- Sched H-12 Power Marketing Expense Adjustment
- Sched H-13 Outside Consulting Related to Rate Case
- Sched H-14 Vegetation Management Adjustment
- Sched H-15 CPG5 O&M Adjustment
- Sched H-16 Ben French Severance Expense Adjustment
- Sched H-17 Neil Simpson Complex Common Steam Allocation
- Sched H-18 Ben French, Osage, and Neil Simpson I Elimination Adjustment
- Sched H-19 FutureTrack Workforce Development Program
- Sched H-20 69 kV LIDAR Surveying Project
- Sched H-21 Customer Service Model Adjustment

Statement H Page 4 of 6

							Adjustments					]
Line	FERC		(k)	(1)	(m)	(n)	(0)	(q)	(q)	(r)	(s)	(t) Sum((a):(s)) <b>Adjusted</b>
No.	Acct. #	Description	Sched H-13	Sched H-14	Sched H-15	Sched H-16	Sched H-17	Sched H-18	Sched H-19	Sched H-20	Sched H-21	Total
1		Steam Production Operation:										
2	500	Supervision & Engineering	\$ -	\$-	\$-	\$-	\$-	\$ (87,978)	\$-	\$-	\$-	\$ 1,754,177
3	501	Fuel	-	-	-	-	-	(33,247)	-	-	-	-
4	501.1	Steam Power Fuel - Gas	-	-	-	-	-	(328)	-	-	-	-
5	501.2	Steam Power Fuel - Oil	-	-	-	-	-	(258,918)	-	-	-	-
6	501.3	Steam Power Fuei - Coal	-	-	-	-	-	(1,868,635)	-	-	-	-
7	501.4	Steam Power Fuel - Transportation	-	-	-	+	-		-		-	-
8	502	Steam Expense	-	-	-	-	-	(186,767)	61,140	-	-	2,113,186
e	505	Electric Expense	-	-	-	-	-	(141,979)	-	-	-	1,166,615
10	506	Miscellaneous	-	-	-	-	-	(110,179)	-	-	-	784,580
11	507	Rent	-	-	-	-	-	(1,942)	-	-	-	3,058,905
12	509	Allowances	-	-	-	-	-	(2,2,-,-,	-	-	-	0,000,000
13		Total Steam Production Operation				······································	· · · ·	(2,689,973)	61,140			8,877,463
14		total Steam Frontein Operation						(2,000,000)	01,140			0,011,400
15		Steam Production Maintenance:										
16	510	Supervision & Engineering			_	_	-	(263,288)	-			1,487,084
17	511	Supervision & Engineering	-	-	_	_		(51,627)	-	-	-	758,656
	511		-	-	-	-	324,962	(532,948)	82,471	-	•	3,430,455
18	512	Boilers	-	-	-	-	524,502	(182,087)	-	-	-	
19		Electric Plant	-	-	-	-	•	(23,263)	-	-	-	605,885
20	514	Miscellaneous Plant		-			-			·		131,497_
21		Total Steam Production Maintenance	-	-	*	-	324,962	(1,063,213)	82,471	-	-	6,413,578
22								(n === +0.01				45 004 040
23		Total Steam Production Expense	•	-	-	-	324,962	(3,753,186)	143,611	-	•	15,291,040
24												
25		Other Production Operation:										
26	546	Supervision & Engineering	-	-	94,391	-	-	-	-	-	-	345,436
27	547	Fuel	-	-	-	-	-	-	-	-	-	-
28	548	Generation Expense	-	-	84,368	-	-	-	-	-	-	678,743
29	549	Miscellaneous	•	-	1,010,918	-	-	-	-	-	-	1,149,191
30	550	Rents					-	<u> </u>				227,411
31		Total Other Production Operation	-		1,189,677	-	-	·	-	-	-	2,400,781
32												
33		Other Production Maintenance:										
34	551	Supervision & Engineering	-	-	6,490	-	-	-	-	-	-	205,449
35	552	Structures	-	-	89,492	-	-	-	-	-	-	96,721
36	553	Electric Plant	-	-	1,010,662	-	-	-	-	-	-	2,120,441
37	554	Miscellaneous Plant	-	-	485,148	-	-	-	-	-	-	574,515
38	556	System Control and Load Dispatch	-	-	-	-	-	-	-	-		1,260,938
39	557	Other Expenses	-	-	•	-	-	-			-	2,000
40		Total Other Production Maintenance			1,591,792					-	-	4,260,063
41					-,- ,							.,,
42		Total Other Production Expense	-	-	2,781,469	-	-	-	-	-	-	6,660,844
43		total Black Fronzenski Expense			2,1 - 4, 100							0,000,014
44		Other Power Supply:										
45	555	Purchased Power - Energy		_		_	_					
45	555	Purchased Power - Capacity	-	-	-	-	-	-	-	-	-	7,192,960
47		Total Other Power Supply										
47			-	-	-	-	-	-	-	-	-	7,192,960
40 49		Total Production Expenses			2,781,469		224 002					
49 50		iorai 4.0000000 exheit252	-	•	2,701,469	-	324,962	(3,753,186)	143,611	•	-	2 <del>9</del> ,144,845
		T										
51		Transmission Operations:										
52 53	560	Supervision & Engineering	-	•	-	-	-	-	-	-	-	874,969
	561	Load Dispatch	-	-	-	-	-	-	-	-	-	2,487,668

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							Adjustments					
Line	FERC		(k)	(I)	(m)	(n)	(o)	(q)	(q)	(r)	(s)	(t) Sum((a):(s)) Adjusted
No.	Acct. #	Description	Sched H-13	Sched H-14	Sched H-15	Sched H-16	Sched H-17	Sched H-18	Sched H-19	Sched H-20	Sched H-21	Total
54	562	Station Equipment	-	-	-		•	-		-	-	315,470
55	563	Overhead Lines	-	-	•	-	-	-	-	-	-	80,121
56	565	Transmission of Electricity by Others	-	-	-	-	-	-	-	-	-	-
57	566	Miscellaneous	-	-	-	-	-	-	-	-	-	131,053
58	567	Rents	-	-	-	-	-	-	-	-	-	•
59 60		Total Transmission Operations	-	-	•	•	-	•	-	-	-	3,889,282
61		Transmission Maintenance:										
62	568	Supervision & Engineering	-	-	-		-	-	-	-	-	55
63	569	Structures	-	-	-	-	-	-	-	-	-	-
64	570	Station Equipment	-	•	-		-	-	-	-	-	151,064
65	571	Overhead Lines		-	-	-	-	-		-	-	76,74
66	572	Underground Lines	•	-	-	-	-	-	-	•	-	
67	573	Miscellaneous	-		-	-	-	-	-	-	-	1,10
68 69		Total Transmission Maintenance	-	-	-	-	-	-	-	-	+	228,97
70		Total Transmission Expenses		-		-	-	-	-	-	-	4,118,257
71												
72		Distribution Operations:										
73	580	Supervision	-	-	-	-	-	-	77,834	•	*	1,735,41
74	581	Load Dispatch	-	*	-	-	-	-	-	-	-	641,54
75	582	Station Equipment	-	-	-	-	-	-	-	-	-	449,12
76	583	Overhead Lines	-	-	-	-	-	-	-	-	-	486,01
77	584	Underground Lines	-	-	-	-	-	-	-	-	-	305,09
78	585	Street Lighting	-	-	•	-	-	-	-	-	-	
79	586	Metering	-	-	-	-	-	-	-	-	-	786,54
80	587	Customer Installations	•	-	-	-	-	-	-	-	-	22,76
81	588	Miscellaneous	-	-	-	-	-	-	-	-	-	366,95
82	589	Rents	-	-	-	-	-	-	-	-	-	17,72
83 84		Total Distribution Operations	-	-	-	-	-	-	77,834	-	-	4,811,18
85		Distribution Maintenance:										
86	590	Supervision	-	-	-	-	-	-	-	-	-	1,25
87	591	Structures	-	-	-	-	-	-	-	-	-	-
88	592	Station Equipment	-	-	-	-	-	-	-	-	-	287,79
89	593	Overhead Lines	-	(401,420)	-	-	-	-	345,337	136,920	-	3,708,52
90	594	Underground Lines	-	+	-	-	-	-	-	-	-	234,38
<del>9</del> 1	595	Transformers	-	-	-	-	-	-	-	-	-	47,64
92	596	Street Lighting	-	•	-	•	•	-	-	-	-	56,84
93	597	Metering	-	-	-	-	-	-	-	-	-	69,15
94	598	Miscellaneous	-	<u> </u>		-	-	-	-	-	-	94,93
95 96		Total Distribution Maintenance	-	(401,420)	-	•	-	-	345,337	136,920	-	4,500,52
97 98		Total Distribution Expenses	-	(401,420)	-	-	٦	-	423,171	136,920	-	9,311,71
99		Customer Accounting Expense:										
100	901	Supervision	-	-	-	-	-	-	-	-	-	53,15
101	902	Meter Reading	-	-		-	_	_	-	_	-	19,92
102	903	Customer Records and Collection Expenses	-	-	-		_	-	-	-	(215,934	
103	904	Uncollectible Accounts	-	-	-	-	-		-	-	(213,334	419,94
104	905	Miscellaneous	-	_	_	-	-	-	-	-	-	419,94
105	200	Total Customer Accounting Expense							<u> </u>		(215,934	
105			-	-	-	-	-	-	-	-	(213,934	2,504,99

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Statement H Page 5 of 6

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Adjustments (k) (I) (m) (n) (o) (p) (q) (r) (s) (Ľ) Sum((a):(s)) FERC Line Adjusted Acct. # Description Sched H-13 Sched H-14 Sched H-15 Sched H-16 Sched H-17 Sched H-18 Sched H-19 Sched H-20 Sched H-21 Total No. 107 Customer Service Expense: 108 907 Supervision 204.020 109 908 Customer Assistance . -99,223 1,310,988 110 909 Advertisement 12,439 . 111 910 Miscellaneous 61,173 112 **Total Customer Service Expense** -99,223 1,588,621 113 114 **Total Customer Expenses** 99,223 (215,934) 3,893,616 -115 116 Sales Expense: Demonstrating and Selling Expenses 117 912 29,948 118 913 Advertising Expenses (0) **Total Sales Expense** 119 29,948 120 121 Administrative & General Expense: 122 920 Administrative Salaries (180,861) 55,856 18,994,070 -123 921 Office Supplies & Expense 3,515,033 124 922 A&G Expense Transferred (43,983) 125 923 Dutside Services 318,061 3,219,807 126 924 Property Insurance 856,357 127 925 Injuries and Damages . -2,569,267 926 Pensions & Benefits 128 711,159 129 928 Regulatory Commission 550,134 930.1 130 General Advertising 37,820 131 930.2 Miscellaneous General 1,270,172 132 931 Rents 545,039 133 935 Maintenance of General Plant 1,257,715 Total Administrative & General Expense 134 318,061 (180,861) 55,856 33,482,591 135 **Total Operating & Maintenance Expense** 136 \$ 318,061 \$ (401,420) \$ 2,781,469 \$ (180,861) \$ 324,962 \$ (3,753,186) \$ 721,861 \$ 136,920 \$ (215,934) \$ 79,980,969

> Sched H-1 Wages and Salaries Adjustment Sched H-5 Intercompany Black Hills Utility Holdings Charges Sched H-6 Employee Pension and Benefits Adjustment Sched H-7 Bad Debt Adjustment Sched H-8 Generation Dispatch and Scheduling Cost Detail Sched H-8 Generation Dispatch and Scheduling Cost Detail Sched H-9 Energy Cost Adjustment Expense Elimination Sched H-10 Neil Simpson Complex Shared Facilities Adjustment Sched H-11 Removal of Unallowed Advertising Expense Sched H-12 Power Marketing Expense Adjustment Sched H-13 Outside Consulting Related to Rate Case Sched H-14 Vegetation Management Adjustment Sched H-15 CPGS Q&M Adjustment

- Sched H-16 Ben French Severance Expense Adjustment
- Sched H-17 Neil Simpson Complex Common Steam Allocation

Sched H-18 Ben French, Osage, and Neil Simpson I Elimination Adjustment

Sched H-19 FutureTrack Workforce Development Program

Sched H-20 69 kV LIDAR Surveying Project

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Sched H-21 Customer Service Model Adjustment

Statement H Page 6 of 6

## BLACK HILLS POWER, INC. WAGES AND SALARIES ADJUSTMENT For the Pro Forma Test Year Ended September 30, 2013

Schedule H-1 Page 1 of 1

Line No.	Description	Reference	Amount
1	Wages and Salaries Adjustment		
2	January 28, 2014 Annualized Payroll		\$ 12,456,552
3	Adjust for Neil Simpson I Labor Costs		(746,475
4	Wage Increases		620,092
5	Employee Additions Eliminations		1,410,540
6	Total Pro Forma Payroll Expense	Sum(Ln. 2: Ln. 5)	13,740,709
7	Test Year Payroll Expense		12,051,965
8	Adjustment	Ln. 6 - Ln. 7	1,688,744

## BLACK HILLS POWER, INC. PURCHASED POWER DETAIL LISTING For the Test Year Ended September 30, 2013

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Page 1 of 1

			(a)	(b)	(c) (a) + (b)
Line			Demand	Energy	(a) + (b) Total
No.	Purchased From	MWh	Charges	Charges	Costs
1	PacifiCorp - Colstrip Variable and Fixed Costs	323,855	7,329,844	6,245,600	13,575,444
2	PacifiCorp	239,876	-	5,323,422	5,323,422
3	Avista Water Power	2,400	-	44,680	44,680
4	Basin Electric	285,211	-	6,632,314	6,632,314
5	Black Hills/Basin Electric	434	-	21,506	21,506
6	Bonneville Power Administration	987	-	32,195	32,195
7	BP Energy Company	400	-	12,000	12,000
8	Burbank, City of	1,400	-	15,650	15,650
9	Cargill	64,059	-	2,006,564	2,006,564
10	Cheyenne Light Fuel & Power	139,768	-	3,791,292	3,791,292
11	Cheyenne Light Fuel & Power Wind Energy	101,459	-	5,085,247	5,085,247
12	Colorado Springs Utilities	11,584	-	433,791	433,791
13	Coral Power	6,891	-	170,937	170,937
14	Eagle Energy	12,600	-	285,130	285,130
15	El Paso Electric	101	-	3,841	3,841
16	Holy Cross		-	1,800	1,800
17	idaho Power	10	-	250	250
18	Macquarie Energy LLC	200	-	3,400	3,400
19	Midwest ISO		_	3,618	3,618
20	Missouri River Energy Service	3,361	-	80,949	80,949
21	Morgan Stanley Capital Group	19,075	_	395,220	395,220
22	Municipal Energy Agency of Nebraska	6,173	_	203,512	203,512
23	Nevada Power	48	_	1,680	1,680
24	Northwestern Energy	1,865	_	39,585	39,585
25	Platte River Power Authority	70,751	-	1,623,097	1,623,097
26	Portland General Elec Company	1,115	_	41,650	41,650
27	PowerEx	90	_	4,295	4,295
28	PPL EnergyPlus	64,916	_	1,813,880	1,813,880
29	PPM/'lberdrola Renewable	14,200	_	275,600	275,600
30	Public Service of New Mexico	1,483	_	52,150	52,150
31	Puget Sound Energy	1,725	_	39,855	39,855
32	Rainbow Energy Marketing	803	-	15,729	15,729
33	Rocky Mountain Reserve Group	2,290	-	106,798	106,798
34	Salt River Project	1,078	_	40,841	40,841
35	Seattle City Light	400	-	3,200	3,200
36	Spearfish, (City of)	22,828	-	343,007	343,007
37	The Energy Authority	10,662	-	426,760	426,760
38	Tenaska Power	11,340	-	407,044	407,044
39	TranAlta Energy	1,600	-	30,550	30,550
40	Tri State Generation and Transmission	16,939	-	527,260	527,260
41	Tucson Electric	1,242	-	44,800	44,800
42 43	WAPA - Colorado River Storage Project WAPA - Loveland Area Project	43,825 1,090	(136,884)	274,107 580,563	137,223 580,563
45 44	WAPA - Upper Great Plains Region	21,802	-	603,698	603,698
45	WAPA - WACM Loveland WACMM1	24,622	-	156,594	156,594
46	Xcel Energy - Public Service Co. of Colorado	12,233	-	412,577	412,577
47	Customer Generation	-	-	1,388	1,388
48	Interchange	-	÷ 7400.000	(162,526)	(162,526)
49	Total	1,548,791	\$ 7,192,960	\$ 38,497,100	\$ 45,690,060

## BLACK HILLS POWER, INC. LISTED EXPENSE ACCOUNTS For the Test Year Ended September 30, 2013

Schedule H-3 Page 1 of 2

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Line No.	Description of Accounts	Reference	 Per Books Amount
1	Federal Energy Regulatory Commission Account No. 909 (Note 1)		
2			
3	Informational Advertising		\$ 12,047
4	Miscellaneous Advertisement		 392
5	TOTAL	Ln.3 + Ln.4	\$ 12,439
6			
7			
8	Federal Energy Regulatory Commission Account No. 913 (Note 1)		
9			
10	Sales Advertising Expenses		\$ 46
11	TOTAL		\$ 46
12			 
13			
14	Federal Energy Regulatory Commission Account No. 922		
15			
16	Administrative Costs- Allocated (Note 2)		\$ (43,983)
17	TOTAL		\$ (43,983)
18			
19			
20	Federal Energy Regulatory Commission Account No. 926		
21			
22	401K		\$ 2,830,607
23	Pension		4,409,452
25	Educational Reimbursement		45,202
26	Relocation		47,541
27	Retirement Benefits		607,030
28	Benefits- Allocated (Note 3)		(7,754,702)
29	Consulting Fees		 29,540
30	TOTAL	Sum (Ln.22:Ln.29)	\$ 214,670
31			
32			

33 Note 1: Disallowed advertising expenses are eliminated at Schedule H-11.

34 Note 2: BHP portion of BHUH employees' administrative time related to capital work orders.

35 Note 3: Includes benefits allocated from Black Hills Service Company as well as Black Hills Utility Holdings.

36 Also includes benefits reclassified to capital work orders as well as operating and maintenance accounts.

## BLACK HILLS POWER, INC. LISTED EXPENSE ACCOUNTS For the Test Year Ended September 30, 2013

Schedule H-3 ~ 2 of 2

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Page	2	C

Line No.	Description of Accounts Re	eference	Per B Amo	
1	Federal Energy Regulatory Commission Account No. 928			
2 3	South Dakota	\$		78,799
4	Wyoming	4		50,194
5	FERC Fees		,	421,141
7		(Ln.3:Ln.5) \$		550,134
8	TOTAL Sum	(ch.o.ch.o) <u>-</u>		550,154
9	Federal Energy Regulatory Commission Account No. 929			
10				
11	None			
12				
13	Federal Energy Regulatory Commission Account No. 930 (Note 1)			
14				
15	General Advertising	\$	2	253,269
16	Benefits and Labor			1,169
18	Safety and Medical Supplies			1,377
19	Office Supplies and Expenses			4,270
20	Dues and Membership Fees		1	.55,335
21	Travel			14,709
22	Training			3,996
23	Outside Services		E	80,397
24	Financing Charges		3	81,859
25	Permits and Miscellaneous			1,232
26	TOTAL Sum (L	.n.15:Ln.25) \$	1,4	97,613
27				
28	Note 1: Disallowed advertising expenses are eliminated at Schedule H-11.			

## **BLACK HILLS POWER, INC.**

Schedule H-4 Page 1 of 1

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## BLACK HILLS CORPORATION/BLACK HILLS SERVICE COMPANY - INTERCOMPANY CHARGES For the Test Year Ended September 30, 2013

Line	FERC		
No.	Acct.	Description	Per Books
1 2	920	Administrative and General Salaries	11,860,034
2 3 4	921	Office Supplies and Expenses	2,199,768
5 6	923	Outside Services	2,083,251
7 8	924	Property Insurance	825,513
9 10	925	Injuries and Damages	1,539,387
10 11 12	926	Employee Pensions and Benefits	20,402
12 13 14	930.2	Miscellaneous General Expense	697,959
15	931	Rents	451,661
16 17	935	Maintenance of General Plant	739,298
18 19		Total	20,417,273
20 21			
22	Note 1: The	se expenses are a combination of direct and indirect	charges to Black Hills Power

23 Note 1: These expenses are a combination of direct and indirect charges to Black Hills Power

24 from Black Hills Service Company without any additional fees. All costs are charged to Black

25 Hills Power as the costs are incurred by the Service Company. The allocation methods for

26 indirect charges are described in the Cost Allocation Manual.

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Schedule H-5

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## BLACK HILLS POWER, INC. BLACK HILLS CORPORATION/BLACK HILLS UTILITY HOLDINGS - INTERCOMPANY CHARGES Page 1 of 1 For the Pro Forma Test Year Ended September 30, 2013

			(a)	(b)	(c)
Line	FERC			Pro Forma	(b) - (a) Increase/
No.	Acct. #	Description	Per Books	Adjusted (Note 1)	(Decrease)
	<u></u>			Tujusica (Note 1)	
1	556	System Control and Load Dispatch	65,558	22,823	(42,735)
2					
3	560	Transmission Supervision & Operations	519,947	648,863	128,916
4					
5	561	Load Dispatch	2,239,777	2,523,940	284,163
6					
7	581	Distribution Load Dispatch	784,063	1,128,787	344,724
8	_				
9	<b>59</b> 3	Dist Maintenance of Overhead Lines	52,976	74,775	21,799
10			1 500 004	1 055 100	(0.00.0.00)
11	903	Customer Records and Collection Expenses	1,308,084	1,057,132	(250,952)
12 13	020	A durintersting Calming	5 209 492	6 281 000	1 072 215
13 14	920	Administrative Salaries	5,208,683	6,281,998	1,073,315
14	921	Office Supplies and Expense	932,149	1,077,092	144,943
15	921	Office Supplies and Expense	732,177	1,077,092	144,545
17	923	Outside Services	270,757	694,868	424,111
18	120	Guistie Services	210,101	0,000	12 1,111
19	924	Property Insurance	1,632	60,406	58,774
20			,	,	,
<b>2</b> 1	925	Injuries and Damages	151,833	121,947	(29,886)
22		-			
23	926	Pension and Benefits	(122,603)	39,567	162,170
24					
25	930.2	Miscellaneous General	136,599	163,526	26,927
26					
27	931	Rents	97,250	79,482	(17,768)
28				10115	(2.2. (
29	935	Maintenance of General Plant	509,647	484,165	(25,482)
30		T-4-1	10 156 950	14 450 271	2 202 010
31		Total	12,156,352	14,459,371	2,303,019
32					

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33

Note 1: These expenses are a combination of direct and indirect charges to Black Hills Power from Black Hills Utility Holding 34

Company without any additional fees. All costs are charged to Black Hills Power as the costs are incurred by the Holding Company. 35

The allocation methods for indirect charges are described in the Cost Allocation Manual. 36

#### BLACK HILLS POWER, INC. EMPLOYEE PENSION AND BENEFITS ADJUSTMENT For the Pro Forma Test Year Ended September 30, 2013

Schedule H-6 Page 1 of 1

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				(a)		(b)		(c) (b) - (a)
Line	FERC		Pe	er Books for		Pro Forma	Tot	al Company
No.	Acct. #	Description	<u> </u>	est Period		Adjusted	A	djustment
1		Pension and Benefits Plan:						
2	926	FAS 106 Retiree Healthcare	\$	296,896	\$	128,000	\$	(168,896)
3								
4	926	FAS 87 Pension Plan (Note 1)		2,844,759		2,336,305		(508,454)
5								
6	926	FAS 87 Pension Plan - PBGC Premium		24,499		133,000		108,501
7								
8	926	Pooled Medical		2,995,874		3,457,902		462,028
9								
10		401K Plan:						
11	926	Employer Contribution		1,652,991		2,094,131		441,140
12								
13		Total	\$	7,815,019	\$	8,149,338	\$	334,319
14								
15	Note 1	Pro forma FAS 87 pension expense reflect	ts the m	ost recent 5 yea	ir aver	age of actual cos	sts.	

### BLACK HILLS POWER, INC. BAD DEBT ADJUSTMENT For the Pro Forma Test Year Ended September 30, 2013

Schedule H-7 Page 1 of 1

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Line				
No.	Description	Reference	An	nount
1	2011 Net Write Offs		\$	439,580
2	2012 Net Write Offs			310,597
3	2013 Net Write Offs			333,183
4	Total 2011-2013 Net Write Offs			1,083,360
5				
6	Average Net Write Offs	Ln. 4 / 3 years		361,120
7	0	. ,		,
8	Average Billed Revenue (2011-2013)		1	.60,215,281
9			-	.00,210,201
10	Average Effective Uncollectible Rate (3 year average)	Ln. 6 / Ln. 8		0.2254%
10	Average Effective Onconcensie Nate (5 year average)			0.223470
11	Adjusted Devenue	Note 1	4	00 343 375
	Adjusted Revenue	Note 1	T	86,312,275
13				
14	Net Write Off Calculated	Ln. 10 * Ln. 12		419,942
15				
16	BHP per books	Stmt. H Ln. 103(a)		440,879
17				
18	FERC Acct 904 Adjustment	Ln. 14 - Ln. 16	\$	(20,937)
19				

20 Note 1: Stmt I Pg 1 Ln 6(a) + Stmt I Pg 1 Ln 6(b) + Stmt I Pg 4 Ln 7(c) + Stmt M Ln 2(d)

# BLACK HILLS POWER, INC. Generation Dispatch and Scheduling Cost Detail For the Pro Forma Test Year Ended September 30, 2013

Schedule H-8 Page 1 of 2

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Line		- •	_	
No.	Description	Reference	Tot	al Cost
1	Costs Related to Generation Dispatch and Scheduling	Note (1)		
2	Labor	(-)	\$	1,708,529
3	Labor Overhead		+	1,415,039
4	Office and Facility Expenses			8,489
5	IT Costs			22,778
6	Outside Services			415,611
7	Promo and Advertising			3,000
8	Travel and Training			121,305
9	Subscriptions			5,963
10	Total Costs Related to Generation Dispatch and Scheduling			3,700,714
11				
12	Power Plant Capacity - Black Hills Power (MW)			
13	Ben French	Note (3)		-
14	Ben French Diesels			10.00
15	Ben French CT's			100.00
16	Lange CT			40.00
17	Neil Simpson I	Note (3)		-
18	Neil Simpson II			91.00
19	Neil Simpson CT			40.00
20	Osage	Note (3)		-
21	Colstrip Long-Term Purchase			50.00
22	Happy Jack Long - Term Purchase			15.00
23	Silver Sage Long-Term Purchase			20.00
24	Wygen III 52%			57.20
25	Wyodak 20%			72.40
26	CPGS Combined Cycle			55.00
27	Total Power Plant Capacity - Black Hills Power (MW)			550.60
28				
29	Power Plant Capacity - Cheyenne Light (MW)			
30	Wygen II			95.00
31	Wygen I (Purchase Power Agreement)			60.00
32	CT II (Purchase Power Agreement)	Note (4)		-
33	Happy Jack Long-Term Purchase			15.00
34	Silver Sage Long-Term Purchase			10.00
35	CPGS Combined Cycle			40.00
36	CPGS Simple Cycle			37.00
37	Total Power Plant Capacity - Cheyenne Light (MW)			257.00
38				
39	Power Plant Capacity - Black Hills/Colorado Electric Utility			
40	WN Clark #1 & #2	Note (3)		-
41	Pueblo Diesels			10.00
42	Pueblo NG #5			9.30
43	Pueblo NG #6			18.80
44	Rocky Ford Diesels			10.00
45	Airport Diesels			10.00
46	Pueblo Airport Generation Station			380.00
47	Other Long- Term Purchase			5.00
48	BRW Phase I			14.50
49	BRW Phase I - AltaGas			14.50

### BLACK HILLS POWER, INC. Generation Dispatch and Scheduling Cost Detail For the Pro Forma Test Year Ended September 30, 2013

Schedule H-8 Page 2 of 2

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Line				
No.	Description	Reference	Tot	tal Cost
50				-
51	Total Power Plant Capacity - Black Hills/Colorado Electric Utility (MW)			472.10
52				
53	Power Plant Capacity - MDU, City of Gillette, and Other			
54	Wygen III 48%			52.80
55	Wygen I			5.00
56	CTII - COG	Note (4)		40.00
57	Total Power Plant Capacity - MDU, City of Gillette, and Other (MW)			97.80
58				
59	Total Capacity to be Managed	Note (2)		1,377.50
60				
61	Black Hills Power Percent of Capacity			39.97%
62				
63	Cheyenne Light Percent of Capacity			18.66%
64				
65	Black Hills/Colorado Electric Utility			34.27%
66				
67	MDU, City of Gillette, and Other Percent of Capacity			7.10%
68				
69	Amount to be Charged to Black Hills Power		\$	1,479,211
70				
71	Amount per Book - Black Hills Power			1,371,247
72				
73	Adjustment - Black Hills Power		\$	107,964
74	-			
	Note (1) Total generation dispatch and scheduling costs are the pro-form	a agets for the	Diante	Uilla Dowon

Note (1) Total generation dispatch and scheduling costs are the pro forma costs for the Black Hills Power
 Generation Dispatch and Scheduling department.

77 Note (2) Costs from Black Hills Power Generation Dispatch and Scheduling are allocated based on the 78 generation asset's load ratio.

79 Note (3) Ben French, Neil Simpson I, Osage, and WN Clark 1 & 2 will be retired before CPGS goes into 80 service. Therefore, the plant capacity is not included in the allocation.

81 Note (4) The CTII PPA will expire August 2014, and the City of Gillette has entered into an agreement to 82 purchase CT II from Black Hills Corporation.

# BLACK HILLS POWER, INC. ENERGY COST ADJUSTMENT EXPENSE ELIMINATION For the Pro Forma Test Year Ended September 30, 2013

Schedule H-9 Page 1 of 1

1

Description	Reference	Amount
Account 555- Purchase Power- Energy		
Per Books September 30, 2013	Stmt. H pg.1 Ln. 45(a)	\$ 38,497,0
Power Marketing Purchase Power Expense	Sched. H-12 Ln. 6	(25,231,0
Purchase Power - Adjustment	Ln. 3 + Ln. 5	13,266,0
Account 547- Other Fuel		
Per Books September 30, 2013	Stmt. H pg.1 Ln. 27(a)	\$ 2,623,5
Power Marketing Other Fuel Expense	Sched. H-12 Ln. 4	(863,9
Other Fuel - Adjustment	Ln. 13 + Ln. 15	1,759,5
Account 501- Steam Power Fuel		
Per Books September 30, 2013	Stmt. H pg.1 Lns. 3-7(a)	\$ 20,361,1
Neil Simpson I, Osage, Ben French Coal Expense Power Marketing Coal Expense	Sched. H-18 Lns. 3-7 Sched. H-12 Ln. 2	(2,161,1 (717,7
Steam Power Fuel - Adjustment	Ln. 23 + Ln. 25 + Ln. 26	17,482,2
Account 565- Transmission		
Per Books September 30, 2013	Stmt. H pg.1 Lns. 3-7(a)	\$ 18,741,8
Power Marketing Transmission Expense	Sched. H-12 Ln. 2	(1,009,3)
Steam Power Fuel - Adjustment	Ln. 34 + Ln. 36	17,732,5
Reagent Costs		
Per Books:		
Lime Purchases/Freight Chemical Purchases/Ammonia		\$ 782,00 209,83
Mercury Sorbent		20,0
Reagent Costs - Adjustment	Ln. 45 + Ln. 46 + Ln. 47	1,011,94

#### BLACK HILLS POWER, INC. Neil Simpson Complex Shared Facilities Adjustment For the Pro Forma Test Year Ended September 30, 2013

Schedule H-10 Page 1 of 1

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Bick Hills Power's Share of Allocated Casts:           2         Per Books - Shared Facilities Costs (FERC Account 50' - Production Rent)         \$ <ul> <li>1.463.77</li> <li>2013 Budget:</li> <li>2013 Budget:</li> <li>2013 Dudget:</li> <li>2014 Dudget:</li> <li>2014 Dudget:</li> <li>2015 Andel by all plants</li> <li>2016 Dudget:</li> <li>2017 Dudget:</li> <li>2018 Dudget:</li> <li>2019 Dudget:</li> <li>2019 Dudget:</li></ul>	Line No.	Description	<u></u>	Reference	Amounts
Per Books - Shared Facilities Costs (FERC Account 507 - Production Rent)         \$ 1,463,77           2013 Budget:         Inc 29 x Une 42         718,69           Pool 1 - Shared by all plants         Line 30 x Line 43         310,94           Pool 2 - Wagen II and II         Line 30 x Line 43         310,94           Pool 3 - Wagen II and III         Line 30 x Line 43         310,94           Pool 5 - Combustion Turbine I and II and Wagen I, II and III         Line 33 x Line 46         712,52           Pool 5 - Combustion Turbine I and II         Line 33 x Line 46         712,52           Pool 7 - Wagen I, II, and III         Line 33 x Line 48         72,118,89           Pool 7 - Wagen I, II and III         Line 33 x Line 43         716,164           Pool 7 - Wagen I, II and III         Line 33 x Line 43         716,164           Pool 7 - Wagen I, II and III         Line 33 x Line 43         716,164           Binck tills Power's Share of Allocatad Revenues:         Pool 7 - Wagen I, II and III         716,764           Binds tills Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         5         1,393,00           Binds tills Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 24,04         3,723,73         5         0,424,89           Pool 3 - Complus Tacillin and Wagen I         Adjuster Shared Facilitis Revenue	1	Black Hills Power's Share of Allocated Costs:			
4         2013 Budget:         Une 29 k Line 42         718.96           6         Pool 1 - Shared by all plants         Une 30 k Line 42         718.96           7         Pool 3 - Wigen II and III and Margen I         Line 30 k Line 43         310.94           7         Pool 3 - Wigen II and III and Margen II         Line 31 k Line 44         722.13           7         Pool 5 - Combustion Turbine I and II         Line 31 k Line 44         722.13           7         Pool 5 - Combustion Turbine I and II         Line 31 k Line 44         722.13           7         Total         Line 33 k Line 44         72.12.12           8         22.112.12         Total         3         655.11           9         Pool 7 - Wigen I, II, and III         Line 33 - Line 3         5         1.520.30           16         Budget         Line 60         2.895.84         1.920.30           17         Singet Pool 7 - Wigen I, III and Wigen I         1.920.30         1.920.30           18         Budget         Line 60         2.895.84         1.920.30           19         Pool 7 - Wigen I, III and Wigen I         1.476.36         62.189           10         Total         Singet Pool 7 - Wigen I, III and Wigen I         1.476.36           10					
5       2013 Budget:       Une 29 x Une 42       718.56         6       Pool 2- Net Simpson ii and Wygen I       Une 29 x Une 42       718.56         7       Pool 2- Net Simpson ii and Wygen I       Une 31 x Une 43       310.54         9       Pool 4- Wygen I, Ii and II and Net Simpson II       Une 31 x Une 44       721.51         9       Pool 4- Wygen I, Ii and II and Net Simpson II       Une 32 x Une 45       724.02         10       Deol 5- Combuston Turbine I and II, and Wygen I, II and III       Une 35 x Une 45       722.12         11       Pool 5- Combuston Turbine I and II, and Wygen I, II and III       Une 35 x Une 45       722.12         11       Deol 5- Combuston Turbine I and II, and Wygen I, II and III       Une 35 x Une 45       52.01.18.69         12       Pool 5- Combuston Turbine I and II       Une 50       2.895.84         13       Total       S       1.920.30         14       Biack Hills Power's Share of Allocated Revenues:       S       1.920.30         15       Biack Hills Power's Share of Allocated Revenues:       S       1.920.30         16       Biack Hills Power's Share of Allocated Revenues:       S       1.920.30         17       Biack Hills Power's Share of Allocated Revenues:       S       1.920.30         18       Po	3	Per Books - Shared Facilities Costs (FERC Account 507 - Production Rent)			\$ 1,463,77
6       Pool 1 - Shared by all plants       Une 29 x Une 42       718.96         7       Pool 3 - Wigen II and III and Wugen I       Une 20 x Une 43       310.94         8       Pool 3 - Wigen II and III and Wugen II. II and III       Une 31 x Une 44       722.13         9       Pool 4 - Wigen I, II and III and Nugen II. II and III       Une 33 x Une 44       722.13         10       Pool 5 - Combustion Turbine I and II. and Wygen I. II and III       Une 33 x Une 45       240.04         11       Une 31 x Une 43       22.118.99       3       22.118.99         11       Une 35 x Une 48       22.12.91       70.01       3       5       5.5.11         12       Total       1       Une 35 x Une 48       22.118.99       3       5       5.5.11         13       Shared Facilities Revenue (FERC Account 454 - Rent from Electric Property)       \$       1.920.30       1.920.30         14       Une 50       Line 50       2.895.84       1.920.30       1.927.54         15       Black Hills Power's Shared Facilities - Budget Detail       5       1.339.00       5       1.393.00         16       Gillette Energy Complex Shared Facilities - Budget Detail       1.927.54       5       1.393.00         16       Gillette Energy Complex Shared Facilities					
2       Peol 2- Nel Simpson i and Wygen I.       Line 30 x Line 43       330394         3       Peol 4- Wygen I, II and III and Nel Simpson II       Line 3 x Line 44       72213         3       Peol 4- Wygen I, II and III and Nel Simpson II       Line 3 x Line 45       124024         4       Peol 5- Combuston Turbine I and II, and Wygen I, II and III       Line 3 x Line 47       15.88         2       Peol 5- Combuston Turbine I and II, and Wygen I, II and III       Line 3 x Line 47       15.88         3       Total       Line 3 x Line 48       3       2.118.89         3       Total       Line 3 x Line 47       15.88       3       2.118.89         3       Total       Line 3 x Line 47       1.5.20       3       5       1.920.30         3       Black Hills Power's Share of Allocated Revenues:       S       1.920.30       1.920.30         3       Budget       Line 60       2.895,84       1.920.30       1.920.30         4       Gillette Energy Complex Shared Facilities - Budget Detail       S       1.920.30       1.920.30         5       1.920.30       Line 60       2.895,84       1.920.30       1.920.30         6       Gillette Energy Complex Shared Facilities - Budget Detail       S       1.920.30       1.920.30		-			
8         Peol         Weyen II and Will Simpson II         Line 31 x Line 44         772.10           10         Pool         - Wyen II, Line 44         772.10         772.10           11         Line 32 x Line 45         240.24         240.24           12         Pool         - Combustion Turbine I and II         Line 33 x Line 45         77.40           12         Pool         - Combustion Turbine I and II         Line 33 x Line 48         22.21.22           13         Shared Facilities O&M Expense Adjustment (Statement H Line 8 (k))         Line 13 - Line 3         \$         655.11           14         Black Hills Power's Share of Allocated Revenues:         \$         1.920.30         \$         1.920.30           15         Shared Facilities Revenue (FERC Account 454 - Rent from Electric Property)         \$         \$         1.920.30           16         Black Hills Power's Share of Allocated Revenues:         \$         5         1.920.30           17         Black Hills Power's Share of Allocated Revenues:         \$         5         1.920.30           18         udget         Line 14 (b)         Line 21 - Line 29         \$         5         1.920.30           18         Gillette Energy Complex Facility Pool Descriptions:         \$         Costs         \$		· ·			
9         Pool         Line 35         Line 45         Line 45         Line 35         Line 35 <thline 35<="" th=""> <thline 35<="" <="" td=""><td></td><td></td><td></td><td></td><td></td></thline></thline>					
10       Pool 5 - Combustion Turbine 1 and 11, and Viggen I, II and 11       Line 34 x Line 45       17.5         11       Pool 7 - Wyen I, II, and III       Line 34 x Line 46       17.5         12       Pool 7 - Wyen I, II, and III       Line 34 x Line 47       16.86         13       Shared Facilities 0&M Expense Adjustment (Statement H Line 8 (kl))       Line 13 - Line 3 <u>\$ 2.118,89</u> 14       Black Hills Power's Share of Allocated Revenues:       3       655.11         17       Black Hills Power's Share of Allocated Revenues:       3       1,920,30         18       Budget       Line 60       2,895,84         23       Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))       Line 21 - Line 19 <u>\$ 975,54</u> 24       Costs       5       1,383,00       621,895         24       Costs       5       1,383,00         25       Costs       5       1,383,00         26       Gillette Energy Complex Facility Pool Descriptions:       \$ 1,383,00       621,898         27       Pool 1 - All plants shared Facilities and water systems       \$ 1,383,00       621,898         27       Pool 1 - All plants shared Facility Pool Descriptions:       \$ 1,383,00       621,898         28       Combustion Turbine I and II					
11       Pool 6 - Combustion Turbine I and II       Line 34 x Line 47       15.22         12       Pool 7 - Wygen I, II, and III       Line 35 x Line 48       22.12         13       Total       Stared Facilities 0&M Expense Adjustment (Statement H Line 8 (ki))       Line 13 - Line 3       \$       655.11         15       Black Hills Power's Share of Allocated Revenues:       9       9       9       9       9         16       Black Hills Power's Share of Allocated Revenues:       9 <td< td=""><td></td><td></td><td></td><td></td><td></td></td<>					
12       Pool 7 - Wygen I, IL, and III       Line 35 x Line 48       22,12,89         13       Total       \$       2,118,89         14       Shared Facilities O&M Expense Adjustment (Statement H Line 8 (kl))       Line 13 - Line 3       \$       655,11         17       Black Hills Power's Share of Allocated Revenues:       \$       1,920,30       \$       1,920,30         18       Per Books - Share of Allocated Revenues:       \$       1,920,30       \$       1,920,30         19       Per Books - Share of Allocated Revenues:       \$       1,920,30       \$       1,920,30         21       Budget       Uine 60       2,895,84       \$       1,920,30         23       Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))       Line 20       2,895,84         23       Gillette Energy Complex Shared Facilities - Budget Detail       \$       1,333,00         24       Costs       \$       1,333,00         25       -       1,476,863       \$       1,476,863         26       Gillette Energy Complex Facility - Cost Allocators (Note 1):       Net Capacity       Ad2,477         27       Pool 1 - All plants shared facilities and water systems       \$       5       1,333,00         27       Pool 1 - All plant					
31         Total         \$         2,118,89           32         Shared Facilities O&M Expense Adjustment (Statement H Line 8 (kl))         Line 13 - Line 3         \$         655,11           33         Biack Hills Power's Share of Allocated Revenues:         3         655,11         3         655,11           34         Biack Hills Power's Share of Allocated Revenues:         3         655,11         5         1,920,30           35         Budget         Uine 60         2,895,84         3         5         1,920,30           36         Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         \$         975,54           37         Gillette Energy Complex Shared Facilities - Budget Detail         5         1,393,00         61,893           38         Pool 1 - Mi pains shared facilities of water systems         \$         1,393,00         62,893           39         Pool 2 - Weil Simpson II and Wygen I and III         46,379         33,373         33,373           39         Pool 5 - Combustion Turbine I and II         43,379         33,373         33,373           30         Combustion Turbine I and II         40,379         33,373           30         Combustion Turbine I and II         40,00         50,01					
11       Shared Facilities O&M Expense Adjustment (Statement H Line 8 (k))       Line 13 - Line 3       \$       655.11         11       Black Hills Power's Share of Allocated Revenues:          655.11         11       Black Hills Power's Share of Allocated Revenues:           655.11         11       Budget       Uine 60       2.895,84              665.11         12       Budget       Uine 60       2.895,84             5       1.920,30					
Inck Hills Power's Share of Allocated Revenues:           Per Books - Shared Facilities Revenue (FERC Account 454 - Rent from Electric Property)         \$ 1,920,30           Budget         Line 60         2,895,84           Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         \$ 975,54           Gillette Energy Complex Shared Facilities - Budget Detail         Costs         \$ 1,393,00           Gillette Energy Complex Shared Facilities - Budget Detail         \$ 1,393,00         \$ 1,393,00           Pool 1 - All Jants shared facilities and water systems         \$ 5         \$ 1,393,00           Pool 2 - Wigen II and III and Wigen I         2475,56         \$ 1,393,00           Pool 3 - Wygen II and III and Wigen I         2476,36         \$ 1,393,00           Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         43,797           Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         33,797           Pool 7 - Wygen I, IA, & III         25         4000,641           Gillette Energy Complex Facility - Cost Allocators (Note 1):         Net Capacity         Net Capacity         Allocator           Pool 1 - Shared by all plants (Note 1)         205         100         53,621           Gillette Energy Complex Facility - Cost Allocators (Note 1)         80         40         53,020 <th< td=""><td></td><td></td><td></td><td></td><td><u>+</u></td></th<>					<u>+</u>
Inck Hills Power's Share of Allocated Revenues:           Per Books - Shared Facilities Revenue (FERC Account 454 - Rent from Electric Property)         \$ 1,920,30           Budget         Line 60         2,895,84           Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         \$ 975,54           Gillette Energy Complex Shared Facilities - Budget Detail         Costs         \$ 1,393,00           Gillette Energy Complex Shared Facilities - Budget Detail         \$ 1,393,00         \$ 1,393,00           Pool 1 - All Jants shared facilities and water systems         \$ 5         \$ 1,393,00           Pool 2 - Wigen II and III and Wigen I         2475,56         \$ 1,393,00           Pool 3 - Wygen II and III and Wigen I         2476,36         \$ 1,393,00           Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         43,797           Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         33,797           Pool 7 - Wygen I, IA, & III         25         4000,641           Gillette Energy Complex Facility - Cost Allocators (Note 1):         Net Capacity         Net Capacity         Allocator           Pool 1 - Shared by all plants (Note 1)         205         100         53,621           Gillette Energy Complex Facility - Cost Allocators (Note 1)         80         40         53,020 <th< td=""><td>15</td><td>Shared Facilities O&amp;M Expense Adjustment (Statement H Line 8 (k))</td><td></td><td>Line 13 - Line 3</td><td>\$ 655,11</td></th<>	15	Shared Facilities O&M Expense Adjustment (Statement H Line 8 (k))		Line 13 - Line 3	\$ 655,11
13       Per Books - Shared Facilities Revenue (FERC Account. 454 - Rent from Electric Property)       \$             1,920,30       Budget       Line 60       2,895,84         23       Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))       Line 21 - Line 19       \$             975,54       975,54         24       Gillette Energy Complex Shared Facilities - Budget Detail              5             1,393,00             62,189             7001 - All plants shared Facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants shared facilities and water systems             701 - All plants (shared hell Simpson II             701 - All plants (shared hell Simpson II             701 - Stared by Wagen I and III             7147 - Cost Allocators (Note 1):             701 - BHPP             701 - Shared by Wagen and Nell Simpson Plants (Note 1)             702 - Shared by Wagen and Nell Simpson Plants (Note 1)             702 - Shared by Wagen and Nell Simpson Plants (Note 1)             702 - Shared by Wagen and Nell Simpson Plants (Note 1)             702 - Shared by Wagen and Nell Simpson Plants (Note 1)             702 - Shared by Wagen and Nell Simpson Plants (Note 1)             702 - Combustion Turbine and II             702 - Shared by Wagen and Nell Simpson Plants (Note 1)             702 - Shared by	16				
19       Per Books - Shared Facilities Revenue (FERC Account 454 - Rent from Electric Property)       \$ <ol> <li>1,920,30</li> <li>Budget</li> <li>Line 60</li> <li>2,895,84</li> </ol> 21       Budget       Line 60       2,895,84         22       Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))       Line 21 - Line 19       \$             975,54         23       Gillette Energy Complex Shared Facilities - Budget Detail       \$             1,393,00       5             1,393,00         24       Costs       \$             1,393,00       5             1,393,00       5             1,393,00         25       Pool 2 - Nell Simpson II and Wagen I       Costs       5             1,393,00       5             21,899       621,899         26       Pool 3 - Wygen I, Iand III and III and III and III       43,797       33,797	17	Black Hills Power's Share of Allocated Revenues:			
Budget     Line 60     2,895,84       Budget     Line 60     2,895,84       Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))     Line 21 - Line 19     \$         975,54       Gillette Energy Complex Shared Facilities - Budget Detail	18				
Budget         Line 60         2,895,84           22         Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         \$ 975,54           23         Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         \$ 975,54           24	19	Per Books - Shared Facilities Revenue (FERC Account 454 - Rent from Election	ic Property)		\$ 1,920,30
22         Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         975,54           25         Gillette Energy Complex Shared Facilities - Budget Detail         5         1,393,000           26         Gillette Energy Complex Facility Pool Descriptions:         \$         1,393,000           27         Shared Facility Pool Descriptions:         \$         1,393,000           28         Fool 2 - Neil Simpson II and III         \$         462,477           29         Pool 5 - Combustion Turbine I and II         \$         462,477           29         Pool 6 - Combustion Turbine I and II         \$         33,379           29         Pool 7 - Wygen I, II and III and Neigen I, II and III         \$         462,477           20         Fool 7 - Wygen I, II and III         \$         33,379           29         Fool 6 - Combustion Turbine I and II         \$         33,379           20         Fool 7 - Wygen I, II, & III         \$         \$         4,090,641           20         Fool 1 - Shared by all plants (Note 1)         \$         \$         4,090,641           21         Pool 2 - Neil Simpson II and III         \$         \$         0         \$         0.001           20         Fool 7 - Styared by all plants (Note 1)	20				
23         Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))         Line 21 - Line 19         975,54           24	21	Budget		Line 60	2,895,84
24         Costs           25         Gillette Energy Complex Shared Facilities - Budget Detail           26         Gillette Energy Complex Facility Pool Descriptions:         \$ 1,393,00           29         Pool 1 - All plants shared Facilities and water systems         \$ 1,393,00           20         24. Meil Simpson II and Wygen I         1,476,36.           29         Pool 2 - Wegen I, II and III and Neil Simpson II         462,477.           2001 6 - Combustion Turbine I and II.         33,373.           25         4,090,64.         \$ 3,393.           26         Total Costs         \$ 4,090,64.           27         Fool 7 - Wygen I, II, & III         33,373.           26         Fool 7 - Wygen I, II, & III         \$ 4,090,64.           27         Fool 7 - Wygen I, II, & III         \$ 3,973.           28         (a)         (b)         (c)           29         Fool 7 - Wygen I, II, & III         \$ 4,090,64.           29         Fool 7 - Wygen I, II, & III         \$ 4,090,64.           29         Fool 1 - Shared by all plants (Note 1):         Net Capacity         All coactor.           20         Fool 1 - Shared by Wygen II and Wigen Plants (Note 1)         385         200         \$ 51,695.           20         Fool 3 - Shared by Wyg					
Sillette Energy Complex Shared Facilities - Budget Detail         Costs           26         Gillette Energy Complex Shared Facilities - Budget Detail         \$ <ul> <li>Gillette Energy Complex Shared Facilities and water systems</li> <li>Pool 1 - All plants shared facilities and water systems</li> <li>Singato</li> <li>Pool 2 - Neil Simpson II and Wygen 1</li> <li>Pool 3 - Wygen, II and III and Neil Simpson II</li> <li>Pool 4 - Wygen, II and III and Neil Simpson II</li> <li>Pool 5 - Combustion Turbine I and II, and Wygen 1, II and III</li> <li>Pool 5 - Combustion Turbine I and II</li> <li>Pool 5 - Combustion Turbine I and II</li> <li>Pool 5 - Combustion Turbine I and II</li> <li>Pool 7 - Wygen I, II &amp; III</li> <li>Pool 9</li> <li>BHP</li> <li>BHP</li> <li>Gillette Energy Complex Facility - Cost Allocators (Note 1):</li> <li>Pool 8 - BHP</li> <li>BHP 8</li> <li>Pool 2 - Neil Simpson II and Wygen 1</li> <li>Pool 2 - Neil Simpson II and Wygen 1</li> <li>Pool 3 - Shared by Wygen and Neil Simpson Plants (Note 1)</li> <li>Pool 4 - Shared by Wygen and II Simpson Plants (Note 1)</li> <li>Pool 4 - Shared by Wygen and Plants (Note 1)</li> <li>Pool 5 - Combustion Turbine and Wygen Plants</li> <li>Pool 6 - Combustion Turbine Plant Bi III Plants</li></ul>	23	Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))		Line 21 - Line 19	<u>\$ 975,54</u>
Gillette Energy Complex Shared Facilities - Budget Detail         Costs           29         Pool 1 - All plants shared Facilities and water systems         \$ 1,393,00           29         Pool 1 - All plants shared facilities and water systems         \$ 1,393,00           20         Pool 1 - All plants shared facilities and water systems         \$ 1,476,36           21         Pool 3 - Wygen I and III and Neil Simpson II         1,476,36           22         Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         43,793           23         Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         33,793           24         Total Costs         \$ 4,090,64           27         Total Costs         \$ 4,090,64           28         (a)         (b)         (c)           29         Col 1 - Shared by all plants (Note 1):         Net Capacity         Net Capacity           20         I - Shared by Wygen II and III Plants         205         11.0         53.66           20         Shared by Wygen I and Net I Simpson Plants (Note 1)         365         200         51.95           20         Shared by Wygen I and III Plants         205         11.0         53.66           20         Shared by Wygen I and III Plants         375         15.0         40.00					
27         Costs           28         Gillette Energy Complex Facility Pool Descriptions:         5         1,333,00           29         Pool 1 - All plants shared facilities and water systems         5         1,333,00           30         Pool 2 - Nell Simpson II and Wygen I and III         1,476,36;         621,894           31         Pool 3 - Wygen I, and III and Neil Simpson II         462,473         43,793           32         Pool 6 - Combustion Turbine I and II, and Wygen I, II and III and Neil Simpson II         621,894         43,793           33         Pool 6 - Combustion Turbine I and II         93,793         59,322         5         4,090,643           34         Fool 7 - Wygen I, II, & III         94         Pool 9         BHP         BHP         840,62,473           36         Gillette Energy Complex Facility - Cost Allocators (Note 1):         Net Capacity         Net Capacity         Allocator           37         Pool 1 - Shared by all plants (Note 1)         180         90         50,600           38         Combustion Turbine and Wygen Plants         205         110         53,661           39         Pool 3 - Shared by Wygen Plants         375         150         44,000           40         Fool 5 - Combustion Turbine and Wygen Plants         375					
Gillette Energy Complex Facility Pool Descriptions:         Costs           29         Pool 1 - All plants shared facilities and water systems         \$ 1,333,00           20         Pool 2 - Nell Simpson II and Wygen I         1,475,36           31         Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         462,473           32         Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         462,473           33         Pool 5 - Combustion Turbine I and II, and Wygen I, II and III         462,473           34         Pool 6 - Combustion Turbine I and II, and Wygen I, II and III         33,793           35         Pool 7 - Wygen I, II, & III         33,793           36         Total Costs         \$ 4,090,641           37         Pool 5 - Combustion Turbine I and II, and Wygen I         80           38         (a)         (b)         (c)           4000,641         Cost Allocators (Note 1):         Net Capacity         Allocator           41         Gillette Energy Complex Facility - Cost Allocators (Note 1):         Net Capacity         Allocator           42         Pool 1 - Shared by all plants (Note 1)         180         90         50,000           43         Pool 2 - Nell Simpson I and Wygen I         180         90         50,000           45		Gillette Energy Complex Shared Facilities - Budget Detail			
29       Pool 1 - All plants shared facilities and water systems       \$ 1,393,00         30       Pool 2 - Neil Simpson II and Wygen I       1,476,36:         31       Pool 4 - Wygen I, II and III and Neil Simpson II       462,477         32       Pool 5 - Combustion Turbine I and II       43,793         33       Pool 5 - Combustion Turbine I and II       43,793         34       Pool 7 - Wygen I, II, & III       5       4,090,643         35       Total Costs       5       4,090,643         36       (a)       (b)       (c)         37       Pool 1 - Shared by all plants (Note 1)       465       240         38       (a)       (b)       (c)       (a)       (b)       (c)         39       Pool 1 - Shared by all plants (Note 1)       465       240       51.61         41       Gillette Energy Complex Facility - Cost Allocators (Note 1)       480       90       50.00         42       Pool 2 - Shared by Wygen I and III Plants       205       110       53.66         45       Pool 4 - Shared by Wygen I and III Plants       205       110       53.66         46       0       40       50.000       51.95         46       Pool 5 - Combustion Turbine and Will Plants (Note 1)					
30       Pool 2 - Neil Simpson II and Wygen I       621,89         31       Pool 3 - Wygen II and III       1,476,56.1         32       Pool 5 - Combustion Turbine I and II, and Wygen I, II and III       462,47         33       Pool 5 - Combustion Turbine I and II       43,79         34       Pool 5 - Combustion Turbine I and II       33,79         35       Pool 7 - Wygen I, II, & III       33,79         36       Total Costs       5         37       Pool 1 - Shared by all plants (Note 1):       Net Capacity       Net Capacity         36       Pool 1 - Shared by all plants (Note 1):       Net Capacity       Allocator         37       Pool 2 - Neil Simpson II and Wygen I       180       90       50.00         37       Pool 3 - Shared by Wygen I and Will Plants       205       110       53.66         465       240       51.61       51.60       40.000         47       Pool 2 - Neil Simpson Plants (Note 1)       385       200       51.95         48       Pool 7 - Wygen And Neil Simpson Plants (Note 1)       385       200       51.95         49       Pool 7 - Wygen I, II, & III       295       110       37.29       37.5         40       50.000       40       50.000					
31       Pool 3 - Wygen II and III       1,476,367         32       Pool 4 - Wygen I, II and III and Wygen I, II and III       462,477         33       Pool 5 - Combustion Turbine I and II, and Wygen I, II and III       33,797         34       Pool 5 - Combustion Turbine I and II, and Wygen I, II and III       33,797         35       Pool 7 - Wygen I, II, & III       33,797         36       Total Costs       5       4,090,647         37       Pool 1 - Shared Dy all plants (Note 1):       Net Capacity       Net Capacity       Allocator         41       Gillette Energy Complex Facility - Cost Allocators (Note 1):       Net Capacity       Net Capacity       Allocator         42       Pool 1 - Shared by all plants (Note 1)       180       90       50.00         445       240       51.611       33.661         45       Pool 3 - Shared by Wygen I and III Plants       375       150       40.00         46       Pool 5 - Combustion Turbine and Wage Plants (Note 1)       385       200       51.953         46       Pool 7 - Wygen I, II, & III       295       110       37.295         47       Pool 7 - Complex Shared Facilities - Annual Revenue Requirement:       Reference       BHP         50       Gillette Energy Complex Shared Facillities - Annua					+ -,000,00
32       Pool 4 - Wygen I, II and III and Neil Simpson II       462,473         33       Pool 5 - Combustion Turbine I and II, and Wygen I, II and III       33,793         34       Pool 6 - Combustion Turbine I and II       33,793         35       Pool 7 - Wygen I, II, & III       53,322         36       (a)       (b)       (c)         37       (a)       (b)       (c)         38       (a)       (b)       (c)         39       (a)       (b)       (c)         39       (a)       (b)       (c)         39       (a)       (b)       (c)         39       (a)       (b)       (c)         30       (a)       (b)       (c)         31       (a)       (b)       (c)         31       (b)       (c)       (a)         31       Pool 1 - Shared by all plants (Note 1)       465       240         31.61       385       200       51.61         32       Pool 2 - Neil Simpson II and Wygen Plants       375       150         33       4001 - Shared by Wygen I and Wygen Plants       375       150       40.00         450       Pool 3 - Shared by Wygen Plants       375       150<					
33       Pool 5 - Combustion Turbine I and II, and Wygen I, II and III       43,793         34       Pool 6 - Combustion Turbine I and II       33,793         35       Pool 7 - Wygen I, II, & III       53,223         36       Total Costs       5         37       (a)       (b)       (c)         38       (a)       (b)       (c)         39       Pool 7 - Wygen I, II, & III       900       8HP         39       (a)       (b)       (c)       (a)         40       Pool 7 - Stared by all plants (Note 1)       465       240       Allocator         41       Gillette Energy Complex Facility - Cost Allocators (Note 1):       Net Capacity       Allocator         42       Pool 1 - Shared by all plants (Note 1)       465       240       51.61         43       Pool 2 - Neil Simpson II and Wygen I       180       90       50.00         445       Pool 3 - Shared by Wygen I and Will Simpson Plants (Note 1)       385       200       51.95         45       Pool 6 - Combustion Turbine and Wygen Plants       375       150       40.000         47       Pool 6 - Combustion Turbine I and II       80       40       50.00         48       Pool 7 - Wygen I, II, & III       295					
34       Pool 6 - Combustion Turbine I and II       33,79;         35       Pool 7 - Wygen I, II, & III       53,20;         36       Total Costs       5         37       (a)       (b)       (c)         38       (a)       (b)       (c)         39       (a)       (b)       (c)         38       (a)       (b)       (c)         39       (a)       (b)       (c)         41       Gillette Energy Complex Facility - Cost Allocators (Note 1):       Net Capacity       Net Capacity         42       Pool 1 - Shared by Wygen I       180       90       50.001         43       Pool 2 - Neil Simpson II and Wygen I       180       90       50.001         44       Pool 3 - Shared by Wygen and Neil Simpson Plants (Note 1)       385       200       51.611         45       Pool 4 - Shared by Wygen Plants       375       150       40.000         46       Pool 7 - Wygen J, II, & III       80       40       50.000         47       Pool 6 - Combustion Turbine I and II       80       40       50.000         48       Pool 7 - Wygen J, II, & III       295       110       37.295         49					
35       Pool 7 - Wygen I, II, & III       53,32         36       Total Costs       \$ 4,090,64         37       (a)       (b)       (c)         38       (a)       (b)       (c)         39       (a)       (b)       (c)         39       (a)       (b)       (c)         39       (a)       (b)       (c)         39       (a)       (b)       (c)         30       (a)       (b)       (c)         30       (a)       (b)       (c)         30       (a)       (b)       (c)         31       Gillette Energy Complex Facility - Cost Allocators (Note 1):       Net Capacity       Allocator         42       Pool 1 - Shared by Wigen II and II Plants       205       110       53.66         43       Pool 2 - Shared by Wygen and Neil Simpson Plants (Note 1)       385       200       51.95         44       Pool 5 - Combustion Turbine and Wygen Plants       375       150       40.00         47       Pool 6 - Combustion Turbine and Wygen Plants       375       110       37.29         48       Pool 7 - Wygen 1, II, & III       80       40       4857.38         53       Mater Systems					
36Total Costs\$ $4,090,64$ 37(a)(b)(c)38(a)(b)(c)39(a) x (b) = (c)(a) x (b) = (c)40Pool 1 - Shared by all plants (Note 1)46524041Gillette Energy Complex Facility - Cost Allocators (Note 1):Net CapacityNet Capacity42Pool 1 - Shared by all plants (Note 1)46524051.6143Pool 2 - Neil Simpson II and Wygen 11809050.0044Pool 3 - Shared by Wygen II and III Plants20511053.66645Pool 4 - Shared by Wygen Plants (Note 1)38520051.95346Pool 5 - Combustion Turbine and Wygen Plants37515044.00047Pool 6 - Combustion Turbine and Wygen Plants37511037.29548Pool 7 - Wygen I, II, & III29511037.29549Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51Facilities4,048,2044,048,20453Water Systems4,048,204319.06554Chemical Systems4,048,234319.06555Air Systems319.065319.05558Rate of ReturnNote 21,982,51259Depreciation913.3362,895,84461Calculated Revenue Requirement on Shared AssetsLine 58 + Line 592,895,844					
37 38(a)(b)(c) (a) x (b) = (c)39 39Facility - Cost Allocators (Note 1):PoolBHPBHP's41Gillette Energy Complex Facility - Cost Allocators (Note 1):Net CapacityNet CapacityAllocator42Pool 1 - Shared by all plants (Note 1)46524051.6143Pool 2 - Neil Simpson II and Wygen 11809050.0044Pool 3 - Shared by Wygen I and III Plants20511053.66645Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)38520051.95546Pool 5 - Combustion Turbine and Wygen Plants37515040.00047Pool 6 - Combustion Turbine I and II804050.00048Pool 7 - Wygen I, II, & III29511037.29549Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51Facilities4,048,2961,492,29653Water Systems4,048,2961,492,29654Chemical Systems4,048,2961,492,29655Air Systems4,048,2961,492,2965623,378,668523,378,668557SNote 21,982,51258Rate of ReturnShared AssetsLine 58 + Line 592,895,84861Calculated Revenue Requirement on Shared AssetsLine 58 + Line 592,895,848					
38(a)(b)(c) (a) x (b) = (c)39PoolBHPBHP's41Gillette Energy Complex Facility - Cost Allocators (Note 1):Net CapacityNet CapacityAllocator42Pool 1 - Shared by all plants (Note 1)46524051.61:43Pool 2 - Neii Simpson II and Wygen I1809050.00044Pool 3 - Shared by Wygen II and III Plants20511053.66545Pool 4 - Shared by Wygen II and Wygen Plants (Note 1)38520051.95546Pool 5 - Combustion Turbine and Wygen Plants37515040.00047Pool 6 - Combustion Turbine I and II804050.00048Pool 7 - Wygen I, II, & III29511037.29549Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51FacilitiesAnnual Revenue Requirement:4,048,29654Chemical Systems4,048,2964,048,29655Air Systems1,492,29611,492,29656S7S8Rate of Return1,982,51258Rate of ReturnShared AssetsLine 58 + Line 592,337,868556S7S8S4 Line 592,395,48461S8Line 58 + Line 592,895,844					
39PoolBHPBHP41Gillette Energy Complex Facility - Cost Allocators (Note 1):Net CapacityNet CapacityAllocator42Pool 1 - Shared by ail plants (Note 1)46524051.61143Pool 2 - Neil Simpson II and Wygen I1809050.0044Pool 3 - Shared by Wygen and Neil Simpson Plants20511053.66345Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)38520051.95346Pool 5 - Combustion Turbine and Wygen Plants37515040.00547Pool 6 - Combustion Turbine I and II804050.00048Pool 7 - Wygen I, II, & III29511037.29549Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51Facilities1,2,161,6364,887,38652Fuel Handling4,857,3864,048,29653Water Systems4,048,2961,492,29554Chemical Systems1,492,29523,378,68555Air Systems819,06523,378,6855623,378,68592,285,84893,3365623,378,68593,285,84893,3365623,378,68593,285,84893,3365623,378,68593,285,84893,3365623,378,68593,285,84893,3365623,378,68593,285,84893,33657Sa Rate of ReturnShared AssetsLine 58 + Line 592,895,848 <tr<< td=""><td></td><td></td><td>(a)</td><td>(b)</td><td>(c)</td></tr<<>			(a)	(b)	(c)
40PoolBHPBHP's41Gillette Energy Complex Facility - Cost Allocators (Note 1):Net CapacityNet CapacityAllocator42Pool 1 - Shared by all plants (Note 1)465240\$1.61:43Pool 2 - Neil Simpson II and Wygen I18090\$0.00044Pool 3 - Shared by Wygen and Neil Simpson Plants205110\$3.66:45Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)385200\$1.95:46Pool 5 - Combustion Turbine and Wygen Plants37515040.00047Pool 6 - Combustion Turbine I and II8040\$0.00048Pool 7 - Wygen I, II, & III29511037.29549Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51Facilities1,2,161,6364,048,29652Fuel Handling4,048,2961,492,29653Water Systems1,492,29631,396,6855623,378,68523,378,68557SRate of Return913,33658Rate of ReturnShared AssetsLine 58 + Line 592,895,84461612,895,8444,887,33861584,285,3484,285,348			(-)	(-)	••
42       Pool 1 - Shared by all plants (Note 1)       465       240       51.611         43       Pool 2 - Neil Simpson II and Wygen I       180       90       50.000         44       Pool 3 - Shared by Wygen II and III Plants       205       110       53.661         45       Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)       385       200       51.955         46       Pool 5 - Combustion Turbine and Wygen Plants       3775       150       40.000         47       Pool 6 - Combustion Turbine 1 and II       80       40       50.000         48       Pool 7 - Wygen I, II, & III       80       40       50.000         49       50       Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:       Reference       BHP         51       Facilities       12,161,636       4,857,388       4,857,388         52       Fuel Handling       4,048,294       4,048,294       4,048,294       54         53       Water Systems       1,492,296       3378,685       56       23,378,685         54       Chemical Systems       1,492,296       33336,685       56       31,332         55       Air Systems       1,982,512       913,333       913,3336       913,333 <t< td=""><td></td><td></td><td>Pool</td><td>BHP</td><td></td></t<>			Pool	BHP	
42       Pool 1 - Shared by all plants (Note 1)       465       240       51.611         43       Pool 2 - Neil Simpson II and Wygen I       180       90       50.003         44       Pool 3 - Shared by Wygen II and III Plants       205       110       53.666         45       Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)       385       200       51.953         46       Pool 5 - Combustion Turbine and Wygen Plants       375       150       40.000         47       Pool 6 - Combustion Turbine 1 and II       80       40       50.000         48       Pool 7 - Wygen I, II, & III       295       110       37.299         49       90       Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:       Reference       BHP         51       Facilities       12,161,636       4,857,388       4,857,388         52       Fuel Handling       4,048,296       4,048,296       3378,685       1,492,296         53       Water Systems       14,92,296       319.065       319.065       319.065         54       Chemical Systems       1,982,512       319.3378,685       319.3378,685       319.3378,685       319.333         55       Air Systems       1,982,512       913.333       913		Gillette Energy Complex Facility - Cost Allocators (Note 1):	Net Capacity	Net Capacity	
44       Pool 3 - Shared by Wygen II and III Plants       205       110       53.667         45       Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)       385       200       51.957         46       Pool 5 - Combustion Turbine and Wygen Plants       375       150       40.007         47       Pool 6 - Combustion Turbine I and II       80       40       50.007         48       Pool 7 - Wygen I, II, & III       295       110       37.295         49	42		465	240	51.61
45Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)38520051.95346Pool 5 - Combustion Turbine and Wygen Plants37515040.00347Pool 6 - Combustion Turbine I and II804050.00348Pool 7 - Wygen I, II, & III29511037.295499999910037.29550Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51Facilities12,161,6364,857,38852Fuel Handling4,048,2964,048,29653Water Systems4,048,29654Chemical Systems1,492,29655Air Systems819,0655623,378,685913,3365758Rate of Return913,33659Depreciation913,336913,33660Calculated Revenue Requirement on Shared AssetsLine 58 + Line 592,895,8486161616161	43	Pool 2 - Neil Simpson II and Wygen I	180	90	50.009
46Pool 5 - Combustion Turbine and Wygen Plants37515040.00047Pool 6 - Combustion Turbine I and II804050.00048Pool 7 - Wygen I, II, & III29511037.299499999950Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51Facilities12,161,6364,857,38852Fuel Handling4,857,3884,048,29653Water Systems4,048,2961,492,29654Chemical Systems819,069819,06955Air Systems819,06923,378,68556923,378,685913,3365758Rate of Return913,33659Depreciation913,336913,33660Calculated Revenue Requirement on Shared AssetsLine 58 + Line 592,895,8486161616161	44	Pool 3 - Shared by Wygen II and III Plants	205	110	53.669
47Pool 6 - Combustion Turbine I and II804050.00048Pool 7 - Wygen I, II, & III29511037.29549	45				51.959
48Pool 7 - Wygen I, II, & III29511037.29149					40.003
49       Reference       BHP         50       Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:       Reference       BHP         51       Facilities       12,161,636       4,857,385         52       Fuel Handling       4,857,385       4,048,296         53       Water Systems       4,048,296       1,492,296         54       Chemical Systems       23,378,685         55       Air Systems       23,378,685         56       23,378,685       23,378,685         57       S8       Rate of Return       Note 2       1,982,512         59       Depreciation       913,336       913,336         60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848         61        2,895,848       41					
50Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:ReferenceBHP51Facilities12,161,63652Fuel Handling4,857,38553Water Systems4,048,29654Chemical Systems1,492,29655Air Systems23,378,6855623,378,6855758Rate of Return913,33659Depreciation913,33660Calculated Revenue Requirement on Shared AssetsLine 58 + Line 592,895,848		Pool 7 - Wygen I, II, & III	295	110	37.299
51       Facilities       12,161,636         52       Fuel Handling       4,857,385         53       Water Systems       4,048,296         54       Chemical Systems       1,492,296         55       Air Systems       23,378,685         56       23,378,685       23,378,685         57       S8       Rate of Return       913,336         59       Depreciation       913,336       913,336         60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848		Cillette Francis Constanting Republic Annual Republic Rep		Deferre	<b>5</b> (1)
52       Fuel Handling       4,857,388         53       Water Systems       4,048,296         54       Chemical Systems       1,492,296         55       Air Systems       819,065         56       23,378,685         57       1,982,512         58       Rate of Return       913,336         59       Depreciation       913,336         60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848         61         2,895,848				Keterence	
53       Water Systems       4,048,296         54       Chemical Systems       1,492,296         55       Air Systems       819,065         56       23,378,685         57       23,378,685         58       Rate of Return       913,336         59       Depreciation       913,336         60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848         61         365,848					
54       Chemical Systems       1,492,296         55       Air Systems       819,065         56       23,378,685         57       23,378,685         58       Rate of Return       1,982,512         59       Depreciation       913,336         60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848         61         2,895,848		•			
55       Air Systems       819,065         56       23,378,685         57       23,378,685         58       Rate of Return       1,982,512         59       Depreciation       913,336         60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848         61         365		•			
56       23,378,685         57       58         58       Rate of Return         59       Depreciation         60       Calculated Revenue Requirement on Shared Assets         61       Line 58 + Line 59		•			
57     58     Rate of Return     Note 2     1,982,512       59     Depreciation     913,336       60     Calculated Revenue Requirement on Shared Assets     Line 58 + Line 59     2,895,848       61     61					
58     Rate of Return     Note 2     1,982,512       59     Depreciation     913,336       60     Calculated Revenue Requirement on Shared Assets     Line 58 + Line 59       61					
59       Depreciation       913,336         60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848         61        2,895,848       100,000		Rate of Return		Note 2	1,982.512
60       Calculated Revenue Requirement on Shared Assets       Line 58 + Line 59       2,895,848         61       61					
61		Calculated Revenue Requirement on Shared Assets		Line 58 + Line 59	
	61				

63 64 Note 1: Neil Simpson 1 will be retired March 21, 2014. Therefore, the plant capacity is not included in the allocation.

Note 2: Line 56 \* ROR established in Shared Facilities Agreement.

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### BLACK HILLS POWER, INC. REMOVAL OF UNALLOWED ADVERTISING EXPENSE For the Pro Forma Test Year Ended September 30, 2013

Schedule H-11 Page 1 of 1

Line	FERC Acct. #	Description	Reference	Amount
No.			Reference	Amount
1		Elimination of Advertising Expense		
2				
3	901	Supervision		963
4	903	Customer Records and Collection Expenses		274
5	908	Customer Assistance		10,097
6	909	Advertisement		3,577
7	910	Miscellaneous		9,514
8	912	Demonstrating and Selling Expenses		314
9	913	Advertising Expenses		46
10	921	Office Supplies & Expense		20,593
11	923	Outside Services		591
12	930.1	General Advertising		215,449
13	930.2	Miscellaneous General		1,099
14		Total Advertising Expense to be Eliminated	Sum (Ln.3:Ln.13)	\$ 262,517

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# BLACK HILLS POWER, INC. POWER MARKETING EXPENSE ADJUSTMENT For the Test Year Ended September 30, 2013

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Line			
No.	Description	Reference	 Amount
1	Power Marketing Operating Expense		
2	Coal Expense		\$ 717,714
3			
4	Other Fuel Expense		863,979
5			
6	Purchased Power Expense		25,231,082
7			
8	Transmission Expense		1,009,322
9			
10	Labor - Bonus		 213,765
11			
12	Total Power Marketing Operating Expenses	Sum (Ln.2:Ln.10)	\$ 28,035,862

# BLACK HILLS POWER, INC. OUTSIDE CONSULTING RELATED TO RATE CASE For the Pro Forma Test Year Ended September 30, 2013

Schedule H-13 Page 1 of 1

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_	Description	Reference		Amount
	Estimated Current Rate Case Expense			
	Depreciation Consultant		\$	50,000
	Capital Structure\Rate of Return Consultant			50,000
	Class Cost of Service Consultant			20,000
	Other Consulting			30,000
	Legal			250,000
	Supplies and Other			15,000
	SD Filing Fee			250,000
	Total Rate Case Expense	Sum (Ln.1:Ln.8)		665,000
		,		•/
	Docket EL12-061 Total Rate Case Expense			
	Consulting		\$	30,482
	Legal		Ŧ	188,122
	Supplies and Other			333
	South Dakota PUC Filing Fee			122,821
	Total Rate Case Costs	Sum (Ln.12:Ln.15)		341,758
	Rate Case Costs Currently Recovered in Rates	PJS-1, Sch 2, Ln. 5		188,643
	Residual EL12-061 Rate Case Costs	Ln. 16 - Ln. 17	—	153,115
	Docket EL12-062 Total Phase-In Case Expense			
	Consulting		\$	27,385
	Legal			87,616
	Supplies and Other			333
	South Dakota PUC Filing Fee			68,430
	Total Phase-In Case Costs	Sum (Ln.21:Ln.24)		183,764
	Phase-In Case Costs Currently Recovered in Rates	PJS-1, Sch 2, Ln. 10		73,170
	Residual EL12-062 Rate Case Costs	Ln. 25 - Ln. 26		110,594
				<i>.</i>
	Total Current and Residual Rate Case Costs	Ln. 9 + Ln. 18 + Ln. 27		928,709
	Amortization Period (years)			. 3
	Annual Rate Case Expense Amortization	Ln. 29 / Ln. 30		309,570
	Regulatory Asset Associated with Current Case	Ln. 29 - Ln. 31		619,139
	Ψ ·			
	Rate Case Expense Adjustment			
	Annual Amortization Established in EL12-061	PJS-1, Sch 2, Ln. 13		87,271
	Proposed Annual Amortization in Current Case	Ln. 31		309,570
	Total Annual Rate Case Expense	Ln. 36 + Ln. 37	. <u> </u>	396,841
	Test Year Rate Case Expense			78,780
	Adjustment to Test Year	Ln. 38 - Ln. 39	—	318,061
			_	
	Rate Base Adjustment for Unamortized Rate Case Expe	nse		
	EL12-061 Rate Base Adjustment	PJS-1, Sch 2, Ln. 16		130,907
	Regulatory Asset Associated with Current Case	Ln. 33		619,139

### **BLACK HILLS POWER, INC.** VEGETATION MANAGEMENT ADJUSTMENT For the Test Year Ended September 30, 2013

Schedule H-14 Page 1 of 1

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Line			
No.	Description	Reference	 Amount
1	Distribution Maintenance: Overhead Lines		
2	Stipulated South Dakota Vegetation Management Expense	Note 1	\$ 1,741,509
3	SD Jurisdictional Allocation	Stmt N	 94.898%
4	Stipulated Total Company Vegetation Management Expense	Ln. 2 / Ln. 3	 1,835,138
5	Test Year Total Company Vegetation Management Expense		 2,236,558
6	Adjustment		(401,420)
7			
8	Note (1) See settlement stipulation in Docket EL12-061, page 6, item	ı 4.(2).	

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# BLACK HILLS POWER, INC. CPGS Operations and Maintenance Adjustment For the Pro Forma Test Year Ended September 30, 2013

	FERC				
Line	Account		Combined		
No.	No.	Description	Cycle Unit		
-					
1		Other Production Operation			
2	546	Supervision & Engineering	\$	94,391	
3	548	Generation Expense		84,368	
4	549	Miscellaneous		1,010,918	
5		Total Other Production Operation	\$	1,189,677	
6					
7		Other Production Maintenance			
8	551	Supervision & Engineering	\$	6,490	
9	552	Structures		89,492	
10	553	Electric Plant		1,010,662	
11	554	Miscellaneous Plant		485,148	
12		Total Other Production Maintenance	\$	1,591,792	
13					
14		Total Production Expense	\$	2,781,469	

# Schedule H-15 Page 1 of 1

Schedule H-16 Page 1 of 1

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#### BLACK HILLS POWER, INC. BEN FRENCH - SEVERANCE EXPENSE ADJUSTMENT For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	Reference		Amount
1 2	920	Severance Expense Administrative & General - Administrative Salaries		¢	180.861
3 4	520	Total Severance Expense to be Eliminated	Ln. 2 + Ln. 3	\$	180,861

# BLACK HILLS POWER, INC. Neil Simpson Complex - Common Steam Allocation For the Pro Forma Test Year Ended September 30, 2013

Schedule H-17 Page 1 of 1

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Line		. (			
No.	Description	Reference	Total Cost		
1	Costs Related to Neil Simpson Complex Common Steam Facilities				
2	Labor and Benefits		\$	2,586,086	
3	Materials		*	648,144	
4	Outside Services			1,041,642	
5	Travel			146,269	
6	Common Utilities			225,000	
7	Office Expenses			77,509	
8	Other			38,764	
9	Total Costs Related to Neil Simpson Complex Common Steam Fac	ilities	\$	4,763,414	
10	•				
11	Gillette Complex Steam Power Plant Capacity - Black Hills Power (	(MW)			
12	Neil Simpson II			91.00	
13	Wygen III 52%			57.20	
14	Total Steam Power Plant Capacity - Black Hills Power (MW)			148.20	
15					
16	Gillette Complex Steam Power Plant Capacity - Cheyenne Light (M	1W)			
17	Wygen II			95.00	
18	Total Power Plant Capacity - Cheyenne Light (MW)			95.00	
19					
20	Gillette Complex Steam Power Plant Capacity - MDU, City of Gillet	tte, and Other			
21	Wygen III 48%			52.80	
22	Wygen I			85.00	
23	Total Power Plant Capacity - MDU, City of Gillette, and Other (MV	V)		137.80	
24					
25	Total Capacity to be Managed (Note 1)	Ln 14 + 18 + 23		381.00	
26					
27	Black Hills Power Percent of Capacity	Ln 14 / Ln 25		38.90%	
28	Cheyenne Light Percent of Capacity	Ln 18 / Ln 25		24.93%	
29	MDU, City of Gillette, and Other Percent of Capacity	Ln 23 / Ln 25		36.17%	
30					
31	Amount to be Charged to Black Hills Power	Ln 9 * Ln 27	\$	1,852,968	
32	Amount per Book - Black Hills Power			1,528,006	
33	Adjustment - Black Hills Power	Ln 31 - Ln 32	\$	324,962	
34					

35 Note (1) Costs from the Neil Simpson Complex - Steam Common Facilities are allocated based on capacity.

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BLACK HILLS POWER, INC. Ben French, Osage, and Neil Simpson I O&M Elimination Adjustment For the Pro Forma Test Year Ended September 30, 2013 Schedule H-18 Page 1 of 1

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Line	FERC							Note (2) Neil	
No.	Account	Description	Re	en French		Osage		Simpson I	Total
	Account	Beschpton			_			ompouri	
1		Steam Production Operation							
2	500	Supervision & Engineering	\$	1,949	\$	180	\$	85,849	\$ 87 <i>,</i> 978
3	501	Fuel Handling / Other		2,970		-		30,277	33,247
4	501.1	Steam Power Fuel - Oil		121		-		258,797	258,918
5	501.2	Steam Power Fuel - Gas		328		-		-	328
6	501.3	Steam Power Fuel - Coal		(15,119)		21,806		1,861,948	1,868,635
7	501.4	Steam Power Fuel - Transportation		-		-		-	-
8	502	Steam Expense		6,298		150		180,319	186,767
9	505	Electric Expense		10,900		150		130,929	141,979
10	506	Miscellaneous		6,793		2,285		101,101	110,179
11	507	Rent (Note 1)		-		-		1,942	1,942
12		Total Steam Production Operation	\$	14,240	\$	24,571	\$	2,651,162	\$ 2,689,973
13									
14		Steam Production Maintenance							
15	510	Supervision & Engineering	\$	32,847	\$	27,729	\$	202,712	\$ 263,288
1 <b>6</b>	511	Structures		9,795		201		51,631	61,627
17	512	Boilers		1,256		635		531,057	532,948
18	513	Electric Plant		27,330		1,858		152,899	182,087
19	514	Miscellaneous Plant		13,247		596		9,420	23,263
20		<b>Total Steam Production Maintenance</b>	\$	84,475	\$	31,019	\$	947,719	\$ 1,063,213
21									<u> </u>
22		Total Steam Production Expense	\$	98,715	\$	55,590	\$	3,598,881	\$ 3,753,186
23									<u></u>
24	N (4) D						<b>.</b> .	r	

24 Note (1) BHP shared facility cost allocation adjustment on Schedule H-10 removes Neil Simpson from capacity.

25 Note (2) Neil Simpson I labor costs are removed in Schedule H-1.

#### BLACK HILLS POWER, INC. FUTURETRACK WORKFORCE DEVELOPMENT PROGRAM For the Pro Forma Test Year Ended September 30, 2013

Schedule H-19 Page 1 of 1

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Line	FERC		Reference		
No.	Acct. #	Description	Amount		
1		Salaries and Benefit Expenses			
2	502	Steam Plant Operation		\$	61,140
3					
4	512	Steam Plant Boilers Maintenance			82,471
5					
6	580	Distribution Supervision			77,834
7					
8	593	Distribution Overhead Line Maintenance			345,337
9					
10	908	Customer Assistance			99,223
11					
12	920	Administration			55,856
13					
14		Annual Strategic Workforce Planning Expense	Sum(Ln. 2:Ln. 12)	\$	721,861
15					

Note: The annual FutureTrack Workforce Development Program expense equals one-eighth of the total cost needed 16

17 over the next eight years to cover the significant loss of employees related to the baby boomer generation retiring 18

from the company.

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# BLACK HILLS POWER, INC. 69 kV LIDAR Surveying Project For the Pro Forma Test Year Ended September 30, 2013

Schedule H-20 Page 1 of 1

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Line No.	Description	Reference	Amount		
1	69 KV LIDAR Surveying Expense				
2	Total Project Cost		\$	798,000	
3	69 kV Joint Ownership Contribution			113,400	
4	Total BHP Cost	Ln. 2 - Ln. 3		684,600	
5	LIDAR Annualization Period			5	
6	Annual LIDAR Expense	Ln. 4 / Ln. 5		136,920	
7					
8	Unamortized LIDAR Expense				
9	Total BHP Project Cost	Ln 4	\$	684,600	
10	Annual LIDAR Expense	Ln 6		136,920	
11	Unamortized LIDAR Expense	Ln 9 - Ln 10		547,680	

# BLACK HILLS POWER, INC. CUSTOMER SERVICE MODEL ADJUSTMENT For the Pro Forma Test Year Ended September 30, 2013

Schedule H-21 Page 1 of 1

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Line No.	Description	Reference	Amount		
1	Facility Expense Elimination				
2	Belle Fourche Office:				
3	Office Rent		\$	9,000	
4	Janitorial Service		•	2,955	
5	Postage			1,460	
6	Rug Cleaning Service			1,334	
7	Utilities			891	
8	Snow Removal			514	
9	Total Belle Fourche Facility Expense	Sum(Ln. 3: Ln. 8)		16,154	
10					
11	Newell Office:				
12	Rug Cleaning Service		\$	1,866	
13	Utilities			793	
14	Lawn Care/Snow Removal			261	
15	PO Box Lease			80	
16	Total Newell Facility Expense	Sum(Ln. 12:Ln. 15)		3,000	
17					
18	Total Facility Cost	Ln. 9 + Ln. 16		19,154	
19					
20	Employee Expense Elimination				
21	Customer Service Representative - Newell		\$	39,122	
22	Customer Service Representative - Custer			38,658	
23	Customer Service Representative - Spearfish			38,658	
24	Total Salary Costs	Sum(Ln. 21:Ln. 23)		116,438	
25	Benefit Loading Percentage			69%	
26	Total Benefit Costs	Ln. 24 * Ln. 25	-	80,342	
27					
28	Total Employee Expense Cost	Ln. 24 + Ln. 26		196,780	
29					
30	Total Customer Service Model Adjustment			215,934	

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