

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

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.

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

Line No.	Description	Reference	Amount
1	Estimated Current Rate Case Expense		
2	Depreciation Consultant		\$ 50,000
3	Capital Structure\Rate of Return Consultant		50,000
4	Class Cost of Service Consultant		20,000
5	Other Consulting		30,000
6	Legal		250,000
7	Supplies and Other		15,000
8	SD Filing Fee		250,000
9	Total Rate Case Expense	Sum (Ln.1:Ln.8)	<u>665,000</u>
10			
11	Docket EL12-061 Total Rate Case Expense		
12	Consulting		\$ 30,482
13	Legal		188,122
14	Supplies and Other		333
15	South Dakota PUC Filing Fee		122,821
16	Total Rate Case Costs	Sum (Ln.12:Ln.15)	<u>341,758</u>
17	Rate Case Costs Currently Recovered in Rates	PJS-1, Sch 2, Ln. 5	188,643
18	Residual EL12-061 Rate Case Costs	Ln. 16 - Ln. 17	<u>153,115</u>
19			
20	Docket EL12-062 Total Phase-In Case Expense		
21	Consulting		\$ 27,385
22	Legal		87,616
23	Supplies and Other		333
24	South Dakota PUC Filing Fee		68,430
25	Total Phase-In Case Costs	Sum (Ln.21:Ln.24)	<u>183,764</u>
26	Phase-In Case Costs Currently Recovered in Rates	PJS-1, Sch 2, Ln. 10	73,170
27	Residual EL12-062 Rate Case Costs	Ln. 25 - Ln. 26	<u>110,594</u>
28			
29	Total Current and Residual Rate Case Costs	Ln. 9 + Ln. 18 + Ln. 27	928,709
30	Amortization Period (years)		<u>3</u>
31	Annual Rate Case Expense Amortization	Ln. 29 / Ln. 30	<u>309,570</u>
32			
33	Regulatory Asset Associated with Current Case	Ln. 29 - Ln. 31	<u>619,139</u>
34			
35	Rate Case Expense Adjustment		
36	Annual Amortization Established in EL12-061	PJS-1, Sch 2, Ln. 13	87,271
37	Proposed Annual Amortization in Current Case	Ln. 31	<u>309,570</u>
38	Total Annual Rate Case Expense	Ln. 36 + Ln. 37	396,841
39	Test Year Rate Case Expense		<u>78,780</u>
40	Adjustment to Test Year	Ln. 38 - Ln. 39	<u>318,061</u>
41			
42	Rate Base Adjustment for Unamortized Rate Case Expense		
43	EL12-061 Rate Base Adjustment	PJS-1, Sch 2, Ln. 16	130,907
44	Regulatory Asset Associated with Current Case	Ln. 33	<u>619,139</u>
45	Adjustment to Test Year	Ln. 43 + Ln. 44	<u>750,046</u>