

## Section N

**20:10:13:97. Statement N -- Allocated Cost of Service by Jurisdiction.** Statement N shall show for the test period the cost of service allocated to the jurisdictional sales or services for which the increased rates or charges are proposed, including the principal determinants used for allocation purposes. Allocated cost of service per books and per claimed adjustments shall be shown separately. This statement shall show the following for the overall cost of service:

- (1) Grouping and allocation of various items of cost and credits to cost of service into functional totals;
- (2) Classification of items of cost and credits into demand, energy, customer, or other appropriate categories;
- (3) If the filing public utility considers for rate purposes certain special facilities to be devoted entirely to the jurisdictional service involved, it shall show, in addition to the overall cost of service, the cost of service related to the special facilities;
- (4) Computations showing the energy responsibilities of the jurisdictional service, based upon consideration of energy sales under the proposed rate schedules and the KWH, MCF or BTU delivered from the filing public utility's supply system;
- (5) Estimated peak electric hour or peak gas period and annual energy or system losses applicable to jurisdictional sales expressed as a percentage of system output;
- (6) Details of allocation of general or common or joint costs to various functions;
- (7) Sufficient detailed breakdown of operation and maintenance expense accounts and taxes to disclose how component items have been classified among energy, class of customer, or other category of cost.

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

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

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

**Statement N -- Allocated Cost of Service per Books.**  
**Schedule N-1 -- Allocated Cost of Service as Adjusted.**

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
M 1	<b>SUMMARY AT PRESENT RATES</b>			
M 2				
M 3	<b>DEVELOPMENT OF RETURN</b>			
M 4				
M 5	<b>OPERATING REVENUE</b>	<b>Sched N-1 Reference</b>		
M 6	Sales of Electricity	SCH I, LN 4	134,872,015	124,169,353
M 7	Contract Sales	SCH I, LN 5	21,472,488	19,288,845
M 8	Other Operating Revenue	SCH I, LN 15	28,599,307	5,800,779
M 9	<b>TOTAL OPERATING REVENUE</b>		184,943,810	149,258,977
M 10				
M 11	<b>OPERATING EXPENSES</b>			
M 12	Operation and Maintenance Expense	SCH H, LN 178	79,980,969	67,628,526
M 13	Depreciation Expense	SCH J, LN 28	31,494,618	26,137,533
M 14	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	5,426,022	4,199,038
M 16	State Income Tax	SCH K, LN 10	3,403	0
M 17	Federal Income Tax	SCH K, LN 32	15,153,994	10,753,377
M 18	<b>TOTAL OPERATING EXPENSES</b>		136,456,828	112,750,105
M 19				
M 20	<b>OPERATING INCOME (RETURN)</b>		48,486,982	36,508,872
M 21				
M 22				
M 23	<b>DEVELOPMENT OF RATE BASE</b>			
M 24	Electric Plant in Service	SCH D-2, LN 116	1,108,693,584	901,099,320
M 25	Less: Accumulated Depreciation	SCH E, LN 28	310,786,354	251,710,991
M 26	Less: Amortization	SCH E, LN 30	3,156,280	2,835,303
M 27	Plus: Working Capital	SCH F, LN 9	17,824,259	13,863,166
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	147,216,237	117,714,228
M 29				
M 30	<b>TOTAL RATE BASE</b>	SCH F, LN 29	665,358,973	542,701,964
M 31				
M 32				
M 33	<b>RATE OF RETURN (PRESENT)</b>		7.29%	6.73%
M 34				
M 35	<b>INDEX RATE OF RETURN (PRESENT)</b>		1.00	0.92
M 36				
M 37				
M 38				
M 39				
M 40				
M 41				
M 42				
M 43				
M 44				
M 45				
M 46				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 47	EQUALIZED RETURN AT PROPOSED ROR			
M 48				
M 49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)			
M 50				
M 51	RATE BASE		665,358,973	542,701,964
M 52				
M 53	RATE OF RETURN		8.48%	8.48%
M 54				
M 55	RETURN (RATE BASE * ROR)		56,422,441	46,021,127
M 56				
M 57	LESS:			
M 58	OPERATING EXPENSES	<u>Sched N-1 Reference</u>		
M 59	Operation and Maintenance Expense	SCH M, LN 12	79,980,969	67,628,526
M 60	Depreciation Expense	SCH M, LN 13	31,494,618	26,137,533
M 61	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 62	Taxes Other Than Income Taxes	SCH M, LN 15	5,426,022	4,199,038
M 63	State Income Tax	CALCULATED	3,403	0
M 64	Federal Income Tax	CALCULATED	19,426,934	15,875,360
M 65	TOTAL OPERATING EXPENSES		140,729,768	117,872,089
M 66				
M 67	EQUALS TOTAL COST OF SERVICE		197,152,209	163,893,215
M 68				
M 69	LESS:			
M 70	OTHER OPERATING REVENUES		50,071,795	25,089,624
M 71				
M 72	EQUALS:			
M 73	PROPOSED BASE RATE SALES @ EQUALIZED ROR		147,080,413	138,803,591
M 74				
M 75				
M 76	TOTAL COST OF SERVICE INCREASE/(DECREASE)		12,208,398	14,634,238
M 77				
M 78	SALES OF ELECTRICITY		134,872,015	124,169,353
M 79	SALES OF ELECTRICITY FOR BASE ENERGY ( Direct Assigment		39,231,859	33,682,213
M 80	TOTAL CURRENT RETAIL REVENUES		174,103,874	157,851,566
M 81				
M 82	REVENUE INCREASE TO RETAIL REVENUES (%)		7.01%	9.27%
M 83				
M 84				
M 85				
M 86				
M 87				
M 88				
M 89				
M 90				
M 91				
M 92				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 93	<b>RETURN AT PROPOSED RATES</b>			
M 94				
M 95	<b>DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS</b>			
M 96				
M 97	<b>OPERATING REVENUE</b>			
M 98	Sales of Electricity	SCH AF, LN 269	152,035,636	138,803,636
M 99	Contract Revenues	SCH I, LN 5	21,472,488	19,288,845
M 100	Other Operating Revenue	SCH I, LN 15	28,599,307	5,800,779
M 101	<b>TOTAL OPERATING REVENUE</b>		202,107,432	163,893,260
M 102				
M 103	<b>OPERATING EXPENSES</b>			
M 104	Operation and Maintenance Expense	SCH H, LN 178	79,980,969	67,628,526
M 105	Depreciation Expense	SCH J, LN 28	31,494,618	26,137,533
M 106	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 107	Taxes Other Than Income Taxes	SCH L, LN 20	5,426,022	4,199,038
M 108	State Income Tax	CALCULATED	3,403	0
M 109	Federal Income Tax	CALCULATED	19,426,934	15,875,360
M 110	<b>TOTAL OPERATING EXPENSES</b>		140,729,768	117,872,089
M 111				
M 112	<b>OPERATING INCOME (RETURN) AT PROPOSED RATES</b>		61,377,664	46,021,171
M 113				
M 114				
M 115	<b>RATE BASE</b>	SCH M, LN 30	665,358,973	542,701,964
M 116				
M 117				
M 118	<b>RATE OF RETURN</b>		9.22%	8.48%
M 119				
M 120	<b>INDEX RATE OF RETURN</b>		1.00	0.92
M 121				
M 122				
M 123	<b>PROPOSED TOTAL REVENUE INCREASE (\$)</b>		14,634,238	14,634,238
M 124				
M 125	<b>SALES OF ELECTRICITY</b>		134,872,015	124,169,353
M 126	<b>SALES OF ELECTRICITY FOR BASE ENERGY COSTS</b>		39,231,859	33,682,213
M 127	<b>TOTAL CURRENT RETAIL REVENUES</b>		174,103,874	157,851,566
M 128				
M 129	<b>REVENUE INCREASE TO RETAIL REVENUES (%)</b>		8.41%	9.27%
M 130				
M 131				
M 132				
M 133				
M 134				
M 135				
M 136				
M 137				
M 138				

**BLACK HILLS POWER, INC.**  
**PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY**  
**PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013**

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1	1	<b>DEVELOPMENT OF RATE BASE</b>		
D-1	2			
D-1	3	<b>ELECTRIC PLANT IN SERVICE</b>		
D-1	4			
D-1	5	PRODUCTION PLANT		
D-1	6	Steam Plant		
D-1	7	310-Land & Land Rights	DPROD 333,639	299,710
D-1	8	311-Structures & Improve	DPROD 40,487,096	36,369,764
D-1	9	312-Boiler Plant Equipment	DPROD 239,281,173	214,947,494
D-1	10	313-Engines and Engine Driver Generator	DPROD 341,878	307,111
D-1	11	314-Turbogenerator Units	DPROD 125,463,205	112,704,235
D-1	12	315-Accessory Electric Equipment	DPROD 24,458,357	21,971,066
D-1	13	316-Misc Power Plant Equipment	DPROD 3,856,198	3,464,042
D-1	14	106-Completed Not Classified Production Plant	DPROD 3,628,149	3,259,185
D-1	15	Steam Plant Additions/Retirements	DPROD (38,426,023)	(34,518,292)
D-1	16	Total Steam Plant	399,423,672	358,804,315
D-1	17			
D-1	18			
D-1	19	Other Production Plant		
D-1	20	340-Land & Land Rights	DPROD 2,705	2,430
D-1	21	341-Structures and Improvements	DPROD 516,826	464,267
D-1	22	342-Fuel Holders, Producers, & Access	DPROD 5,328,853	4,786,936
D-1	23	344-Generators	DPROD 69,138,920	62,107,843
D-1	24	345-Accessory Electric Equipment	DPROD 4,867,260	4,372,284
D-1	25	346-Misc Power Plant Equipment	DPROD 82,868	74,441
D-1	26	106-Completed Not Classified Oth Prod Plt	DPROD 548,895	493,075
D-1	27	Other Prod Plant Additions/Annualization	DPROD 94,966,164	85,308,588
D-1	28	Total Other Production Plant	175,452,491	157,609,865
D-1	29			
D-1	30	TOTAL PRODUCTION PLANT	574,876,163	516,414,181
D-1	31			
D-1	32			
D-1	33	TRANSMISSION PLANT		
D-1	34	350-Land & Land Rights	DTRAN 5,745,930	189,539
D-1	35	352-Structures & Improvements	DTRAN 1,782,604	58,802
D-1	36	353-Station Equipment	DTRAN 48,927,254	1,613,949
D-1	37	354-Tower and Fixtures	DTRAN 864,826	28,528
D-1	38	355-Poles & Fixtures	DTRAN 28,021,035	924,322
D-1	39	356-Overhead Conductors & Devices	DTRAN 29,422,077	970,537
D-1	40	359-Roads and Trails	DTRAN 6,920	6,295
D-1	41	106-Completed Not Classified Transmission Plt	DTRAN 263,253	0
D-1	42	Transmission Plant Additions/Annualization	DTRAN 0	0
D-1	43	TOTAL TRANSMISSION PLANT	115,033,899	3,791,973
D-1	44			
D-1	45			
D-1	46			

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1 47	<b>ELECTRIC PLANT IN SERVICE CONTINUED</b>			
D-1 48				
D-1 49	<b>DISTRIBUTION PLANT</b>			
D-1 50	360-Land & Land Rights	Direct Assignment	2,106,585	2,022,060
D-1 51	361-Structures & Improvements	Direct Assignment	708,861	700,802
D-1 52	362-Station Equipment	Direct Assignment	71,650,994	58,163,248
D-1 53	364-Poles, Towers & Fixtures			
D-1 54	Primary - Demand		53,624,432	50,761,939
D-1 55	Secondary - Demand		14,177,353	13,420,561
D-1 56	Total Account 364	Direct Assignment	67,801,785	64,182,500
D-1 57	365-Overhead Conductors & Devices			
D-1 58	Primary - Demand		35,661,461	33,938,217
D-1 59	Secondary - Demand		6,121,153	5,825,365
D-1 60	Total Account 365	Direct Assignment	41,782,614	39,763,582
D-1 61	366-Underground Conduit			
D-1 62	Primary - Demand		2,423,473	2,378,767
D-1 63	Secondary - Demand		1,658,510	1,627,915
D-1 64	Total Account 366	Direct Assignment	4,081,983	4,006,682
D-1 65	367-Underground Conductors & Devices			
D-1 66	Primary - Demand		20,306,834	19,866,165
D-1 67	Secondary - Demand		19,354,951	18,934,938
D-1 68	Total Account 367	Direct Assignment	39,661,786	38,801,103
D-1 69	368-Line Transformers			
D-1 70	Demand		35,013,434	33,679,565
D-1 71	Total Account 368	Direct Assignment	35,013,434	33,679,565
D-1 72	369-Services	Direct Assignment	29,259,736	28,556,304
D-1 73	370-Meters	Direct Assignment	6,989,275	6,690,268
D-1 74	371-Installation on Customer Premises	Direct Assignment	2,177,398	2,091,882
D-1 75	373-Street Lighting & Signal Systems	Direct Assignment	1,726,403	1,650,961
D-1 76	106 - Comp Not Class and Alloc. Additions	DISTPLTXNC	14,735,044	13,723,662
D-1 77	Distribution Plant Additions - Direct Assigned	Direct Assignment	16,377,387	16,377,387
D-1 78	TOTAL DISTRIBUTION PLANT		334,073,283	310,410,006
D-1 79				
D-1 80				
D-1 81				
D-1 82	TOTAL PROD, TRANS, & DIST PLANT		1,023,983,345	830,616,159
D-1 83				
D-1 84				
D-1 85				
D-1 86				
D-1 87				
D-1 88				
D-1 89				
D-1 90				
D-1 91				
D-1 92				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
D-1 93	<b>ELECTRIC PLANT IN SERVICE CONTINUED</b>			
D-1 94				
D-1 95	GENERAL PLANT			
D-1 96	389-Land and Land Rights	SALWAGES	853,197	682,899
D-1 97	390-Structures and Improvements	SALWAGES	11,778,669	9,427,643
D-1 98	391-Office Furniture & Equipment	SALWAGES	8,175,825	6,543,927
D-1 99	392-Transportation Equipment	SALWAGES	7,686,751	6,152,473
D-1 100	393-Store Equipment	SALWAGES	331,885	265,641
D-1 101	394-Tools, Shop & Garage Equip.	SALWAGES	4,240,319	3,393,950
D-1 102	395-Laboratory Equipment	SALWAGES	366,125	293,046
D-1 103	396-Power Operated Equipment	SALWAGES	834,087	667,603
D-1 104	397-Communication Equipment	SALWAGES	8,173,417	6,542,000
D-1 105	398-Miscellaneous Equipment	SALWAGES	197,046	157,716
D-1 106	Rate Case Expense	SREVSD	750,046	750,046
D-1 107	106-Completed Not Classified General Plant	SALWAGES	1,852,886	1,698,603
D-1 108	General Plant Additions/Annualization	SALWAGES	6,803,547	6,237,040
D-1 109	TOTAL GENERAL PLANT		52,043,800	42,812,585
D-1 110				
D-1 111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	27,796,131	23,295,553
D-1 112				
D-1 113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,870,308	4,375,022
D-1 114				
D-1 115				
D-1 116	<b>TOTAL ELECTRIC PLANT IN SERVICE</b>		<b>1,108,693,584</b>	<b>901,099,320</b>
D-1 117				
D-1 118				
D-1 119				
D-1 120				
D-1 121				
D-1 122				
D-1 123				
D-1 124				
D-1 125				
D-1 126				
D-1 127				
D-1 128				
D-1 129				
D-1 130				
D-1 131				
D-1 132				
D-1 133				
D-1 134				
D-1 135				
D-1 136				
D-1 137				
D-1 138				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
E 1	<b>LESS: ACCUMULATED DEPRECIATION</b>			
E 2				
E 3	PRODUCTION PLANT ACCUM DEPRECIATION	PRODPLT	140,772,556	126,456,703
E 4				
E 5	TRANSMISSION PLANT ACCUM DEPREC	TRANPLT	31,521,044	748,960
E 6				
E 7	DISTRIBUTION PLANT ACCUM DEPRECIATION			
E 8	360-Land & Land Rights	PLT_360	(42,910)	(41,188)
E 9	361-Structures & Improvements	PLT_361	159,696	157,880
E 10	362-Station Equipment	PLT_362	25,117,149	20,603,201
E 11	364-Poles, Towers & Fixtures	PLT_364	24,530,305	23,220,868
E 12	365-Overhead Conductors & Devices	PLT_365	14,036,842	13,358,550
E 13	366-Underground Conduit	PLT_366	500,534	491,301
E 14	367-Underground Conductors & Devices	PLT_367	15,078,398	14,751,188
E 15	368-Line Transformers	PLT_368	12,284,621	11,816,627
E 16	369-Services	PLT_369	9,900,724	9,662,701
E 17	370-Meters	PLT_370	(2,074,770)	(1,986,010)
E 18	371-Installation on Customer Premises	PLT_371	850,997	817,575
E 19	373-Street Lighting & Signal Systems	PLT_373	823,773	787,775
E 20	Accum Dep Adj for WY Distribution Additions	Direct Assignment	221,095	221,095
E 21	Unspecified and Accum Dep Adjustment	DISTPLT	47,489	44,390
E 22	TOTAL DISTRIBUTION PLANT ACCUM DEPR		101,433,943	93,905,953
E 23				
E 24	GENERAL PLANT ACCUM DEPRECIATION	GENLPLT	19,467,573	15,927,678
E 25				
E 26	OTHER UTILITY ACCUM DEPRECIATION	SALWAGES	17,591,238	14,671,698
E 27				
E 28	<b>TOTAL ACCUMULATED DEPRECIATION</b>		310,786,354	251,710,991
E 29				
E 30	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	3,156,280	2,835,303
E 31				
E 32	<b>NET ELECTRIC PLANT IN SERVICE</b>		794,750,950	646,553,026
E 33				
E 34				
E 35				
E 36				
E 37				
E 38				
E 39				
E 40				
E 41				
E 42				
E 43				
E 44				
E 45				
E 46				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
F 1	<b>ADDITIONS AND DEDUCTIONS TO RATE BASE</b>			
F 2				
F 3	<b>PLUS: ADDITIONS TO RATE BASE</b>			
F 4	<b>WORKING CAPITAL</b>			
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,393,853)	(5,360,457)
F 6	Fuel Inventory	ENEFUEL	7,291,312	6,389,875
F 7	Materials and Supplies	TOTPLT	14,984,427	12,332,720
F 8	Prepayments	OMXFPP	942,373	501,028
F 9	TOTAL WORKING CAPITAL		17,824,259	13,863,166
F 10				
F 11	<b>LESS: DEDUCTIONS TO RATE BASE</b>			
F 12	Customer Advances for Construction	CUSTADV	1,347,225	1,339,142
F 13	Regulatory Assets - S&W Related	SALWAGES	(27,598,836)	(25,300,778)
F 14	Regulatory Assets - Plant Related	TOTPLT	(9,021,554)	(3,306,466)
F 15	Regulatory Assets - Decommissioning	PRODPLT	(13,890,856)	(12,478,227)
F 16	Regulatory Assets - Storm Atlas	Direct Assignment	(3,310,806)	(3,310,806)
F 17	Regulatory Liabilities - S&W Related	SALWAGES	42,807,503	39,243,073
F 18	Regulatory Liabilities - Plant Related	TOTPLT	736,378	671,583
F 19	Deferred Income Taxes and Credits			
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(10,410,867)	(9,494,797)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(23,131,246)	(21,205,189)
F 22	Deferred Income Tax - Customer (Debit)	CUST	356,564	342,714
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	184,947,309	147,193,716
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	4,385,423	4,020,264
F 25	Total Deferred Income Taxes and Credits		156,147,183	120,856,708
F 26	TOTAL DEDUCTIONS TO RATE BASE		147,216,237	117,714,228
F 27				
F 28				
F 29	<b>TOTAL RATE BASE</b>		<b>665,358,973</b>	<b>542,701,964</b>
F 30				
F 31				
F 32				
F 33				
F 34				
F 35				
F 36				
F 37				
F 38				
F 39				
F 40				
F 41				
F 42				
F 43				
F 44				
F 45				
F 46				

**BLACK HILLS POWER, INC.**  
**PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY**  
**PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013**

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F-3	1	<b>CASH WORKING CAPITAL (LEAD LAG)</b>		
F-3	2			
F-3	3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL		
F-3	4	Purchased Fuel (Coal, Gas, & Oil)	0	0
F-3	5	Coal Transportation	0	0
F-3	6	Natural Gas - Other Production	0	0
F-3	7	Purchased Power	19,707	17,703
F-3	8	Transmission	0	0
F-3	9	Labor	37,646	34,511
F-3	10	Employee Benefits	49	45
F-3	11	Service Company Charges	95,552	87,596
F-3	12	Other O&M	56,148	51,471
F-3	13	Wyodak Power Plant O&M	10,025	9,006
F-3	14	TOTAL O&M	219,127	200,331
F-3	15			
F-3	16	TAXES OTHER THAN INCOME TAXES		
F-3	17	Property Taxes	13,815	12,599
F-3	18	Unemployment Taxes (FUTA & SUTA)	280	257
F-3	19	Montana Electric Energy	43	0
F-3	20	Wyoming Franchise Tax	176	0
F-3	21	South Dakota PUC	686	686
F-3	22	Wyoming PSC	0	0
F-3	23	FICA Taxes - Employer's	8,297	7,606
F-3	24	TOTAL TAXES OTHER THAN INCOME TAXES	23,297	21,148
F-3	25			
F-3	26	Depreciation Expense	86,287	122,093
F-3	27	Amortization Expense	12,049	10,824
F-3	28	TOTAL DEPRECIATION/AMORTIZATION	98,335	132,917
F-3	29			
F-3	30	FEDERAL INCOME TAXES	53,224	48,652
F-3	31			
F-3	32	INTEREST EXPENSE	56,523	51,549
F-3	33			
F-3	34	GRAND TOTAL	450,507	454,598
F-3	35			
F-3	36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)	(4,216,746)	(4,255,037)
F-3	37			
F-3	38	LESS: TAX COLLECTIONS AVAILABLE	(1,177,107)	(1,105,420)
F-3	39			
F-3	40	NET CASH WORKING CAPITAL REQUIREMENT	(5,393,853)	(5,360,457)
F-3	41			
F-3	42			
F-3	43			
F-3	44			
F-3	45			
F-3	46			

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
F-3 1				
F-3 2	<b>CASH WORKING CAPITAL (LEAD LAG) CONTINUED</b>			
F-3 3				
F-3 4	<b><u>LAG/LEAD DAYS</u></b>			
F-3 5	REVENUE LAG DAYS		33.98	
F-3 6	EXPENSE LEAD DAYS		43.34	
F-3 7	NET DAYS		(9.36)	
F-3 8				
F-3 9	TAX COLLECTIONS AVAILABLE			
F-3 10	FICA Taxes (Employee Contribution)	SALWAGES	(71,445)	(65,496)
F-3 11	Federal Withholding Tax	SALWAGES	(139,530)	(127,912)
F-3 12	South Dakota Sales and Use Tax	SREVSD	(912,012)	(912,012)
F-3 13	Wyoming Sales and Use Tax	SREVWY	(54,120)	0
F-3 14	TOTAL TAX COLLECTIONS AVAILABLE		(1,177,107)	(1,105,420)
F-3 15				
F-3 16				
F-3 17				
F-3 18				
F-3 19				
F-3 20				
F-3 21				
F-3 22				
F-3 23				
F-3 24				
F-3 25				
F-3 26				
F-3 27				
F-3 28				
F-3 29				
F-3 30				
F-3 31				
F-3 32				
F-3 33				
F-3 34				
F-3 35				
F-3 36				
F-3 37				
F-3 38				
F-3 39				
F-3 40				
F-3 41				
F-3 42				
F-3 43				
F-3 44				
F-3 45				
F-3 46				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
1	<b>OPERATING REVENUES</b>			
2				
3	<b>SALES REVENUES</b>			
4	Sales of Electricity Revenues		134,872,015	124,169,353
5	Contract Revenues	DPROD	21,472,488	19,288,845
6	TOTAL SALES OF ELECTRICITY		156,344,503	143,458,198
7				
8	<b>OTHER OPERATING REVENUES</b>			
9	Unbilled and Cost Adjustment Revenue	Direct Assignment	0	
10	Demand Side Management Revenue	Direct Assignment	(968,002)	(968,002)
11	450-Forfeited Discounts	Direct Assignment	267,907	258,273
12	451-Miscellaneous Service Revenues	Direct Assignment	462,921	455,894
13	454-Rent from Electric Property	TDPLT	6,479,425	6,054,614
14	456-Other Electric Revenues - Transmission	TRANPLT	22,357,056	0
15	TOTAL OTHER OPERATING REV		28,599,307	5,800,779
16				
17	<b>TOTAL OPERATING REVENUES</b>		184,943,810	149,258,977
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 1				
H 2	<b>OPERATION &amp; MAINTENANCE EXPENSE</b>			
H 3				
H 4				
H 5	PRODUCTION EXPENSE			
H 6				
H 7	Steam Production Operation			
H 8	500-Supervision & Engineering	SALWAGPO	1,754,177	1,575,786
H 9	501-Fuel	ENEFUEL	0	0
H 10	502-Steam Expense	DPROD	2,113,186	1,898,285
H 11	505-Electric Expense	DPROD	1,166,615	1,047,976
H 12	506-Miscellaneous Steam Power Expense	DPROD	784,580	704,792
H 13	507-Rent	DPROD	3,058,905	2,747,830
H 14	509-Allowances	DPROD	0	0
H 15	Total Steam Production Operation		8,877,463	7,974,670
H 16				
H 17	Steam Production Maintenance			
H 18	510-Supervision & Engineering	SALWAGPM	1,487,084	1,335,855
H 19	511-Maintenance of Structures	DPROD	758,656	681,505
H 20	512-Maintenance of Boilers	DPROD	3,430,455	3,081,595
H 21	513-Maintenance of Electric Plant	DPROD	605,885	544,270
H 22	514-Maintanance of Miscellaneous Steam Plant	DPROD	131,497	118,124
H 23	Total Steam Production Maintenance		6,413,578	5,761,349
H 24				
H 25	Total Steam Production Expense		15,291,040	13,736,019
H 26				
H 27	Other Production Operation			
H 28	546-Operation Supervision and Engineering	SALWAGPO	345,436	310,307
H 29	547-Fuel	ENEFUEL	0	0
H 30	548-Generation Expense	DPROD	678,743	609,718
H 31	549-Miscellaneous Other Power Generation	DPROD	1,149,191	1,032,324
H 32	550-Rents	DPROD	227,411	204,285
H 33	Total Other Production Operation		2,400,781	2,156,634
H 34				
H 35	Other Production Maintenance			
H 36	551-Supervision & Engineering	SALWAGPM	205,449	184,556
H 37	552-Structures	DPROD	96,721	86,885
H 38	553-Maintenance of Generating and Electric Plant	DPROD	2,120,441	1,904,803
H 39	554-Maintenance of Miscellaneous Other Power	DPROD	574,515	516,089
H 40	556-System Control and Load Dispatching	DPROD	1,260,938	1,132,707
H 41	557-Other Expenses	DPROD	2,000	1,797
H 42	Total Other Production Maintenance		4,260,063	3,826,836
H 43				
H 44	Total Other Production Expense		6,660,844	5,983,470
H 45				
H 46				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 47	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>			
H 48				
H 49				
H 50	PRODUCTION EXPENSE (CONT.)			
H 51				
H 52	Other Power Supply			
H 53	555 - Purchased Power - Energy	ENERGY1	0	0
H 54	555 - Purchased Power - Capacity	DPROD	7,192,960	6,461,473
H 55	Total Other Power Supply		7,192,960	6,461,473
H 56				
H 57	TOTAL PRODUCTION EXPENSE		29,144,845	26,180,962
H 58				
H 59				
H 60	TRANSMISSION EXPENSES			
H 61				
H 62	Operation			
H 63	560-Supervision & Engineering	SALWAGTO	874,969	187,969
H 64	561-Load Dispatch	TRANPLT	2,487,668	0
H 65	562-Station Equipment	TRANPLT	315,470	0
H 66	563-Overhead Lines	TRANPLT	80,121	17,212
H 67	565-Transmission of Electricity by Others	TRANPLT	0	0
H 68	566-Miscellaneous	TRANPLT	131,053	28,154
H 69	567-Rents	TRANPLT	0	0
H 70	Total Transmission Operation		3,889,282	233,336
H 71				
H 72	Maintenance			
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	55	50
H 74	569-Maintenance of Structures	TRANPLT	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	151,064	32,453
H 76	571-Maintenance of Overhead Lines	TRANPLT	76,749	16,488
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,108	1,008
H 79	Total Transmission Maintenance		228,975	49,999
H 80				
H 81	TOTAL TRANSMISSION EXPENSE		4,118,257	283,335
H 82				
H 83				
H 84				
H 85				
H 86				
H 87				
H 88				
H 89				
H 90				
H 91				
H 92				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 93	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>			
H 94				
H 95				
H 96	<b>DISTRIBUTION EXPENSES</b>			
H 97	Operation			
H 98	580-Supervision	SALWAGDO	1,735,413	1,620,799
H 99	581-Load Dispatch	DISTPLT	641,549	599,687
H 100	582-Station Equipment	PLT_362	449,127	375,020
H 101	583-Overhead Lines	OHDIST	486,016	461,010
H 102	584-Underground Lines	UGDIST	305,099	298,571
H 103	585-Street Lighting	PLT_3713	1	1
H 104	586-Metering	CMETERS	786,540	756,867
H 105	587-Customer Installations	CMETERS	22,761	21,902
H 106	588-Miscellaneous	DISTPLT	366,951	343,006
H 107	589-Rents	DISTPLT	17,727	16,570
H 108	Total Distribution Operation		4,811,184	4,493,432
H 109				
H 110	Maintenance			
H 111	590-Supervision	SALWAGDM	1,250	1,179
H 112	591-Structures	DISTPLT	0	0
H 113	592-Station Equipment	PLT_362	287,790	240,304
H 114	593-Overhead Lines	OHDIST	3,708,522	3,517,711
H 115	594-Underground Lines	UGDIST	234,388	229,373
H 116	595-Transformers	PLT_368	47,646	45,831
H 117	596-Street Lighting	PLT_3713	56,846	54,502
H 118	597-Metering	CMETERS	69,156	66,547
H 119	598-Miscellaneous	DISTPLT	94,932	88,738
H 120	Total Distribution Maintenance		4,500,529	4,244,184
H 121				
H 122	TOTAL DISTRIBUTION EXPENSES		9,311,713	8,737,617
H 123				
H 124	TOTAL OPER & MAINT EXP (PROD,TRAN,& DIST)		42,574,815	35,201,914
H 125				
H 126				
H 127				
H 128				
H 129				
H 130				
H 131				
H 132				
H 133				
H 134				
H 135				
H 136				
H 137				
H 138				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 139	<b>OPERATION &amp; MAINTENANCE EXPENSE CONTINUED</b>			
H 140				
H 141				
H 142	CUSTOMER ACCOUNTS EXPENSES			
H 143	901-Supervision	SALWAGCA	53,158	51,163
H 144	902-Meter Reading	CMETRDG	19,927	19,153
H 145	903-Customer Records and Collection Expense	CUSTREC	1,208,197	1,161,267
H 146	904-Uncollectible Accounts	EXP_904	419,942	406,612
H 147	905-Miscellaneous CA	CUSTCAM	603,770	580,318
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,304,995	2,218,513
H 149				
H 150				
H 151	CUSTOMER SERVICE EXPENSES			
H 152	907-Supervision	SALWAGCS	204,020	196,095
H 153	908-Customer Assistance	CUSTASST	1,310,988	1,260,065
H 154	909-Advertisement	CUSTADVT	12,439	11,956
H 155	910-Miscellaneous CS	CUSTCSM	61,173	58,797
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,588,621	1,526,913
H 157				
H 158	SALES EXPENSES TOTAL	SALESREV	29,948	27,571
H 159				
H 160	TOTAL OPER & MAINT EXCL A&G		46,498,379	38,974,911
H 161				
H 162	ADMINISTRATIVE & GENERAL EXPENSE			
H 163	920-Administrative Salaries	SALWAGES	18,994,070	15,344,499
H 164	921-Office Supplies & Expense	SALWAGES	3,515,033	3,222,349
H 165	922-A&G Expense Transferred	SALWAGES	(43,983)	(40,321)
H 166	923-Outside Services	SALWAGES	2,901,746	2,660,128
H 167	xxx-Rate Case Expenses	SREVSD	318,061	318,061
H 168	924-Property Insurance	TOTPLT	856,357	781,005
H 169	925-Injuries and Damages	SALWAGES	2,569,267	2,355,333
H 170	926-Pensions & Benefits	SALWAGES	711,159	651,943
H 171	928-Regulatory Commission	SALESREV	550,134	506,479
H 172	930.1-General Advertising	SALWAGES	37,820	34,671
H 173	930.2-Miscellaneous General	SALWAGES	1,270,172	1,164,409
H 174	931-Rents	GENLPLT	545,039	500,385
H 175	932-Maintenance of General Plant	GENLPLT	1,257,715	1,154,674
H 176	TOTAL A&G EXPENSE		33,482,591	28,653,615
H 177				
H 178	<b>TOTAL OPERATION &amp; MAINTENANCE EXPENSES</b>		<b>79,980,969</b>	<b>67,628,526</b>
H 179				
H 180				
H 181				
H 182				
H 183				
H 184				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
J	1	<b>DEPRECIATION/AMORTIZATION EXPENSE</b>		
J	2			
J	3	PRODUCTION PLANT EXPENSE	16,299,694	14,642,098
J	4			
J	5	TRANSMISSION PLANT EXPENSE	2,469,908	85,699
J	6			
J	7	DISTRIBUTION PLANT EXPENSE		
J	8	360-Land & Land Rights	0	0
J	9	361-Structures & Improvements	19,139	18,922
J	10	362-Station Equipment	1,934,577	1,453,684
J	11	364-Poles, Towers & Fixtures	1,830,648	1,732,927
J	12	365-Overhead Conductors & Devices	1,128,131	1,073,617
J	13	366-Underground Conduit	110,214	108,180
J	14	367-Underground Conductors & Devices	1,070,868	1,047,630
J	15	368-Line Transformers	945,363	909,348
J	16	369-Services	790,013	771,020
J	17	370-Meters	188,710	180,637
J	18	371-Installation on Customer Premises	58,790	56,481
J	19	373-Street Lighting & Signal Systems	46,613	44,576
J	20	Dep Adj for SD Distribution Additions	442,189	442,189
J	21	Distribution Plant Annualization	397,846	371,886
J	22	TOTAL DISTRIBUTION PLANT EXPENSE	8,963,100	8,211,097
J	23			
J	24	GENERAL PLANT EXPENSE	1,635,464	1,249,250
J	25			
J	26	OTHER UTILITY DEPRECIATION EXPENSE	2,126,452	1,949,390
J	27			
J	28	<b>TOTAL DEPRECIATION EXPENSE</b>	31,494,618	26,137,533
J	29			
J	30	PLANT ACQUISITION ADJUSTMENT	4,397,822	4,031,631
J	31			
J	32	<b>TOTAL DEPRECIATION/AMORTIZATION EXPENSE</b>	35,892,440	30,169,164
J	33			
J	34			
J	35			
J	36			
J	37			
J	38			
J	39			
J	40			
J	41			
J	42			
J	43			
J	44			
J	45			
J	46			

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
L 1	<b>OTHER OPERATING EXPENSES</b>			
L 2				
L 3	<b>TAXES OTHER THAN INCOME TAXES</b>			
L 4	Federal Taxes			
L 5	FICA Tax	SALWAGES	3,028,493	2,626,261
L 6	Unemployment Tax	SALWAGES	21,474	19,686
L 7				
L 8	State Taxes			
L 9	Unemployment Tax	SALWAGES	80,601	73,890
L 10	Montana Electric Energy Tax	SREVMT	15,777	0
L 11	Wyoming Franchise Taxes	SREVWY	64,059	0
L 12	South Dakota PUC Tax	SREVSD	250,238	250,238
L 13	Wyoming Sales Tax	SREVWY	0	0
L 14				
L 15	Local Taxes			
L 16	Property	TOTPLT	5,042,451	4,049,818
L 17				
L 18	TOIT - Payroll Loading & Other	SALWAGES	(3,077,071)	(2,820,854)
L 19				
L 20	<b>TOTAL TAXES OTHER THAN INCOME</b>		5,426,022	4,199,038
L 21				
L 22				
L 23				
L 24				
L 25				
L 26				
L 27				
L 28				
L 29				
L 30				
L 31				
L 32				
L 33				
L 34				
L 35				
L 36				
L 37				
L 38				
L 39				
L 40				
L 41				
L 42				
L 43				
L 44				
L 45				
L 46				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
K	1	<b>DEVELOPMENT OF INCOME TAXES</b>		
K	2			
K	3	TOTAL OPERATING REVENUES	184,943,810	149,258,977
K	4			
K	5	LESS:		
K	6	OPERATION & MAINTAINENCE EXPENSE	79,980,969	67,628,526
K	7	DEPRECIATION EXPENSE	31,494,618	26,137,533
K	8	AMORTIZATION EXPENSE	4,397,822	4,031,631
K	9	TAXES OTHER THAN INCOME TAXES	5,426,022	4,199,038
K	10	MT STATE INCOME TAXES	3,403	0
K	11			
K	12	<b>NET OPERATING INCOME BEFORE TAXES</b>	63,640,977	47,262,248
K	13	AFUDC	3,931,226	3,585,311
K	14	Interest Expense (Rate Base * Wtd Cost of Debt)	(20,027,304)	(16,335,329)
K	15	Subtotal	47,544,898	34,512,230
K	16			
K	17	Tax Adjustments:		
K	18	Permanent - Salaries & Wages	(926,840)	(849,665)
K	19	Permanent - Plant	(163,489)	(132,877)
K	20	Temporary - Salaries & Wages	(2,900,706)	(2,659,174)
K	21	Temporary - Plant	(11,931,703)	(9,697,584)
K	22	Temporary - Customer	(486,460)	(467,564)
K	23	Temporary - Other	1,324,870	1,211,073
K	24	Total Adjustments	(15,084,328)	(12,595,792)
K	25			
K	26	<b>TAXABLE INCOME (NOL)</b>	32,460,570	21,916,438
K	27			
K	28	Federal Income Tax @ 35%	11,361,199	7,670,753
K	29			
K	30	Other Tax Adjustments	3,792,795	3,082,624
K	31			
K	32	<b>TOTAL FEDERAL INCOME TAX</b>	15,153,994	10,753,377
K	33			
K	34	<b>TOTAL INCOME TAXES</b>	15,157,397	10,753,377
K	35			
K	36			
K	37			
K	38			
K	39			
K	40			
K	41			
K	42			
K	43			
K	44			
K	45			
K	46			

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
K	47			
K	48			
K	49			
K	50			
K	51			
K	52	<b>TAX RATES</b>		
K	53	STATE TAX RATE	0.00%	
K	54	FEDERAL TAX RATE - CURRENT	35.00%	
K	55			
K	56			
K	57			
K	58			
K	59	<b>WEIGHTED COST OF DEBT</b>	3.01%	
K	60			
K	61			
K	62			
K	63			
K	64			
K	65			
K	66			
K	67			
K	68			
K	69			
K	70			
K	71			
K	72			
K	73			
K	74			
K	75			
K	76			
K	77			
K	78			
K	79			
K	80			
K	81			
K	82			
K	83			
K	84			
K	85			
K	86			
K	87			
K	88			
K	89			
K	90			
K	91			
K	92			

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H-1	1	<b>DEVELOPMENT OF SALARIES &amp; WAGES ALLOCATION FACTOR</b>		
H-1	2			
H-1	3	<b>PRODUCTION SALARIES &amp; WAGES EXPENSE</b>		
H-1	4	Operation	2,853,535	2,563,345
H-1	5	Maintenance	2,214,751	1,989,522
H-1	6	TOTAL PRODUCTION	5,068,286	4,552,867
H-1	7			
H-1	8	<b>TRANSMISSION SALARIES &amp; WAGES EXPENSE</b>		
H-1	9	Operation	195,861	178,177
H-1	10	Maintenance	47,990	43,657
H-1	11	TOTAL TRANSMISSION	243,851	221,834
H-1	12			
H-1	13	<b>DISTRIBUTION SALARIES &amp; WAGES EXPENSE</b>		
H-1	14	Operation	1,438,842	1,343,815
H-1	15	Maintenance	779,113	734,736
H-1	16	TOTAL DISTRIBUTION	2,217,955	2,078,550
H-1	17			
H-1	18	<b>CUSTOMER ACCOUNTS SAL &amp; WAGES EXP</b>	594,100	571,810
H-1	19			
H-1	20	<b>CUSTOMER SERVICE SAL &amp; WAGES EXP</b>	510,055	490,243
H-1	21			
H-1	22	<b>ADMINISTRATIVE &amp; GENERAL SALARIES &amp; WAGES EXP</b>		
H-1	23	Operation	3,409,477	3,125,582
H-1	24	Maintenance	8,241	7,555
H-1	25	TOTAL ADMINISTRATIVE & GENERAL	3,417,718	3,133,137
H-1	26			
H-1	27	TOT OPER & MAINTENANCE SALARIES & WAGES	12,051,965	11,048,440
H-1	28			
H-1	29			
H-1	30			
H-1	31			
H-1	32			
H-1	33			
H-1	34			
H-1	35			
H-1	36			
H-1	37			
H-1	38			
H-1	39			
H-1	40			
H-1	41			
H-1	42			
H-1	43			
H-1	44			
H-1	45			
H-1	46			

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 1	<b>ALLOCATION FACTOR TABLE</b>			
AF 2	<b><u>DEMAND</u></b>			
AF 3				
AF 4	<b><u>DEMAND - PRODUCTION RELATED</u></b>			
AF 5	Demand Production (12 CP)	DPROD	263.73	236.91
AF 6				
AF 7				
AF 8				
AF 9	<b><u>DEMAND - TRANSMISSION RELATED</u></b>			
AF 10	Demand Transmission (NCP)	DTRAN	335.47	305.18
AF 11				
AF 12				
AF 13				
AF 14				
AF 15				
AF 16				
AF 17				
AF 18				
AF 19				
AF 20	<b><u>DEMAND - DISTRIBUTION RELATED (NCP)</u></b>			
AF 21	Demand Distribution Primary Substation	DDISPSUB	335.472	305.18
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	335.472	305.18
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	335.472	305.18
AF 24				
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	335.472	305.18
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	335.472	305.18
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	335.472	305.18
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	335.472	305.18
AF 29				
AF 30				
AF 31				
AF 32				
AF 33				
AF 34				
AF 35				
AF 36				
AF 37				
AF 38				
AF 39				
AF 40				
AF 41				
AF 42				
AF 43				
AF 44				
AF 45				
AF 46				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 47	<b>ALLOCATION FACTOR TABLE CONTINUED</b>			
AF 48				
AF 49	<b><u>ENERGY</u></b>			
AF 50	Energy @ Generation with losses (kWh)	ENEFUEL	1,832,552	1,605,990
AF 51	Energy @ Generation with losses( kWh)	ENERGY1	1,832,552	1,605,990
AF 52	Energy @ Meter (kWh Sales)	ENERGY2	1,696,490	1,483,798
AF 53				
AF 51				
AF 55				
AF 56				
AF 57				
AF 58				
AF 59				
AF 60				
AF 61	<b><u>CUSTOMER</u></b>			
AF 62				
AF 63	Customer Dist. Primary Substation	CDISPSUB	69,664	66,958
AF 64	Customer Dist. Primary Overhead Lines	CDISTPOL	69,664	66,958
AF 65	Customer Dist. Primary Underground Lines	CDISTPUL	69,664	66,958
AF 66				
AF 67				
AF 68				
AF 69				
AF 70				
AF 71				
AF 72	369-Services	CSERVICE	335,472	305,182
AF 73	370-Meters	CMETERS	15,938,218	15,336,942
AF 74				
AF 75	902-Meter Reading	CMETRDG	835,968	803,496
AF 76	903-Customer Records and Collections	CUSTREC	835,968	803,496
AF 77	905-Miscellaneous Customer Accounts	CUSTCAM	69,664	66,958
AF 78	908-Customer Assistance	CUSTASST	69,664	66,958
AF 79	909-Advertisement	CUSTADVT	69,664	66,958
AF 80	910-Miscellaneous Customer Service	CUSTCSM	69,664	66,958
AF 81				
AF 82				
AF 83				
AF 84	371-Installation on Customer Premises	CUSTPREM	2,799	2,622
AF 85	373-Street Lighting & Signal Systems	CLIGHT	202	198
AF 86				
AF 87	Number of Bills	CUSTBILLS	835,968	803,496
AF 88	Number of Customers	CUST	69,664	66,958
AF 89				
AF 90				
AF 91				
AF 92				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 93	<b>ALLOCATION FACTOR TABLE CONTINUED</b>			
AF 94	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>			
AF 95				
AF 96	<b>Plant</b>			
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	911,123,588	830,616,159
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	300,966,668	280,308,957
AF 98	Rate Base	RATEBASE	595,402,686	542,701,964
AF 100	Total Electric Plant In Service	TOTPLT	988,038,479	901,099,320
AF 101	Production Plant In Service	PRODPLT	574,876,163	516,414,181
AF 102	Transmission Plant in Service	TRANPLT	4,168,326	3,791,973
AF 103	Distribution Plant in Service	DISTPLT	332,079,099	310,410,006
AF 104	Total Transmission and Distribution Plant	TDPLT	336,247,425	314,201,978
AF 105	General Plant in Service	GENLPLT	46,633,106	42,812,585
AF 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1,108,693,584	901,099,320
AF 107	Account 360	PLT_360	2,106,585	2,022,060
AF 108	Account 361	PLT_361	708,861	700,802
AF 109	Account 362	PLT_362	69,656,810	58,163,248
AF 110	Account 364	PLT_364	67,801,785	64,182,500
AF 111	Account 365	PLT_365	41,782,614	39,763,582
AF 112	Account 366	PLT_366	4,081,983	4,006,682
AF 113	Account 367	PLT_367	39,661,786	38,801,103
AF 114	Account 368	PLT_368	35,013,434	33,679,565
AF 115	Account 369	PLT_369	29,259,736	28,556,304
AF 116	Account 370	PLT_370	6,989,275	6,690,268
AF 117	Account 371	PLT_371	2,177,398	2,091,882
AF 118	Account 373	PLT_373	1,726,403	1,650,961
AF 119	Distribution Overhead Plant in Service	OHDIST	109,584,399	103,946,082
AF 120	Distribution Underground Plant in Service	UGDIST	43,743,768	42,807,785
AF 121	Account 371&373	PLT_3713	3,903,800	3,742,843
AF 122				
AF 123	South Dakota	DPLTSD	280,308,957	280,308,957
AF 124	Wyoming	DPLTWY	19,305,136	0
AF 125	Montana	DPLTMT	1,352,575	0
AF 126				
AF 127				
AF 128				
AF 129				
AF 130				
AF 131				
AF 132				
AF 133				
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	66,695,422	61,139,482
AF 135	Supervised O&M Expense excluding CUS	OMXFPTT	35,480,890	32,496,868
AF 136				
AF 137				
AF 138				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 139	<b>ALLOCATION FACTOR TABLE CONTINUED</b>			
AF 140	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>			
AF 141	<b>Production Expense</b>			
AF 142	Account 500	OX_500	1,754,177	1,575,786
AF 143	Account 501	OX_501	0	0
AF 144	Account 502	OX_502	2,113,186	1,898,285
AF 145	Account 505	OX_505	1,166,615	1,047,976
AF 146	Account 506	OX_506	784,580	704,792
AF 147	Account 510	MX_510	1,487,084	1,335,855
AF 148	Account 511	MX_511	758,656	681,505
AF 149	Account 512	MX_512	3,430,455	3,081,595
AF 150	Account 513	MX_513	605,885	544,270
AF 151	Account 514	MX_514	131,497	118,124
AF 152	Account 546	OX_546	345,436	310,307
AF 153	Account 547	OX_547	0	0
AF 154	Account 548	OX_548	678,743	609,718
AF 155	Account 549	OX_549	1,149,191	1,032,324
AF 156	Account 551	MX_551	205,449	184,556
AF 157	Account 552	MX_552	96,721	86,885
AF 158	Account 553	MX_553	2,120,441	1,904,803
AF 159	Account 554	MX_554	574,515	516,089
AF 160	Account 556	OX_556	1,262,938	1,134,504
AF 161	Account 555	OX_555	7,192,960	6,461,473
AF 162	Account 557	OX_557	0	0
AF 163	O&M Expense Production Operation	OX_PROD	9,178,631	8,245,211
AF 164	O&M Expense Production Maintenance	MX_PROD	8,981,108	8,067,775
AF 165	Salaries and Wages Production Operation	SALWAGPO	2,853,535	2,563,345
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	2,214,751	1,989,522
AF 167	<b>Transmission Expense</b>			
AF 168	Account 560	OX_560	206,625	187,969
AF 169	Account 561	OX_561	0	0
AF 170	Account 562	OX_562	0	0
AF 171	Account 563	OX_563	18,920	17,212
AF 172	Account 565	OX_565	0	0
AF 173	Account 566	OX_566	30,948	28,154
AF 174	Account 567	OX_567	0	0
AF 175	Account 568	MX_568	55	50
AF 176	Account 569	MX_569	0	0
AF 177	Account 570	MX_570	35,674	32,453
AF 178	Account 571	MX_571	18,125	16,488
AF 179	Account 573	MX_573	1,108	1,008
AF 180	O&M Accounts 561-567	OX_TRAN	49,869	45,366
AF 181	O&M Accounts 569-573	MX_TRAN	54,906	49,949
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	195,861	178,177
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	47,990	43,657
AF 184				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 185	<b>ALLOCATION FACTOR TABLE CONTINUED</b>			
AF 186	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>			
AF 187	<b>Distribution Expense</b>			
AF 188	Account 580	OX_580	1,735,413	1,620,799
AF 189	Account 581	OX_581	641,549	599,687
AF 190	Account 582	OX_582	449,127	375,020
AF 191	Account 583	OX_583	486,016	461,010
AF 192	Account 584	OX_584	305,099	298,571
AF 193	Account 585	OX_585	1	1
AF 194	Account 586	OX_586	786,540	756,867
AF 195	Account 587	OX_587	22,761	21,902
AF 196	Account 588	OX_588	366,951	343,006
AF 197	Account 589	OX_589	17,727	16,570
AF 198	Account 590	MX_590	1,250	1,179
AF 199	Account 592	MX_592	287,790	240,304
AF 200	Account 593	MX_593	3,708,522	3,517,711
AF 201	Account 594	MX_594	234,388	229,373
AF 202	Account 595	MX_595	47,646	45,831
AF 203	Account 596	MX_596	56,846	54,502
AF 204	Account 597	MX_597	69,156	66,547
AF 205	Account 598	MX_598	94,932	88,738
AF 206	O&M Accounts 581-589	OX_DIST	3,075,771	2,872,633
AF 207	O&M Accounts 591-598	MX_DIST	4,499,279	4,243,005
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,438,842	1,343,815
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	779,113	734,736
AF 210				
AF 211	Account 902	OX_902	19,927	19,153
AF 212	Account 903	OX_903	1,208,197	1,161,267
AF 213	Account 904	OX_904	419,942	406,612
AF 214	O&M Accounts 902-905	OX_CA	2,251,837	2,167,350
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	594,100	571,810
AF 216				
AF 217	Account908	OX_908	1,310,988	1,260,065
AF 218	Account909	OX_909	12,439	11,956
AF 219	Account910	OX_910	61,173	58,797
AF 220	O&M Accounts 908-910	OX_CS	1,384,601	1,330,818
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	510,055	490,243
AF 222				
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	8,634,247	7,915,304
AF 224	Total Salaries and Wages Expense	SALWAGES	12,051,965	11,048,440
AF 225				
AF 226				
AF 227				
AF 228				
AF 229				
AF 230				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 231	<b>REVENUES AND BILLING DETERMINANTS</b>			
AF 232				
AF 233	Base Rate Sales Revenue	SALESREV	134,872,015	124,169,353
AF 234	South Dakota	SREVSND	124,169,353	124,169,353
AF 235	Wyoming	SREVWY	8,288,835	0
AF 236	Montana	SREVMT	2,413,827	0
AF 237				
AF 238				
AF 239				
AF 240	Claimed Rate Sales Revenue	CLAIMREV	151,846,149	138,803,591
AF 241				
AF 242				
AF 243				
AF 244				
AF 245				
AF 246	<b><u>PRESENT REVENUES FROM SALES INPUT</u></b>			
AF 247				
AF 248	Total Sales of Electricity Revenues		134,872,015	124,169,353
AF 249				
AF 250	Sales of Electricity Revenues		134,872,015	124,169,353
AF 251				
AF 252				
AF 253				
AF 254	<b><u>BILLING DETERMINATE INPUTS</u></b>			
AF 255	Number of Customer Bills	SCH AF, LN 87	835,968	803,496
AF 256	Annual kWh Sales @ Meter	SCH AF, LN 52	1,696,490	1,483,798
AF 257	Annual kW - Billed		0	-
AF 258				
AF 259				
AF 260				
AF 261	<b><u>RATE OF RETURN</u></b>			
AF 262	Rate of Return (Equalized)	SCH AF, LN 262	8.48%	8.48%
AF 263				
AF 264				
AF 265				
AF 266	<b><u>PROPOSED REVENUES FROM SALES INPUT</u></b>			
AF 267	Annual kWh Sales - Proposed	SCH AF, LN 256	1,696,490	1,483,798
AF 268	Sales of Electricity Revenues - Proposed Total		152,035,636	138,803,636
AF 269	Sales of Electricity Revenues - Proposed		152,035,636	138,803,636
AF 270	Credit		0	0
AF 271	Credit	DPROD	0	0
AF 272				
AF 273				
AF 274				
AF 275				
AF 276				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 1	<b>ALLOCATION PROPORTIONS TABLE</b>			
AP 2	<b><u>DEMAND</u></b>			
AP 3				
AP 4	<b><u>DEMAND - PRODUCTION RELATED</u></b>			
AP 5	Demand Production (12 CP)	DPROD	1.00000	0.89831
AP 6				
AP 7				
AP 8				
AP 9	<b><u>DEMAND - TRANSMISSION RELATED</u></b>			
AP 10	Demand Transmission (NCP)	DTRAN	1.00000	0.90971
AP 11				
AP 12				
AP 13				
AP 14				
AP 15				
AP 16				
AP 17				
AP 18				
AP 19				
AP 20	<b><u>DEMAND - DISTRIBUTION RELATED (NCP)</u></b>			
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.90971
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.90971
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.90971
AP 24				
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.90971
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.90971
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.90971
AP 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	1.00000	0.90971
AP 29				
AP 30				
AP 31				
AP 32				
AP 33				
AP 34				
AP 35				
AP 36				
AP 37				
AP 38				
AP 39				
AP 40				
AP 41				
AP 42				
AP 43				
AP 44				
AP 45				
AP 46				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 47	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>			
AP 48				
AP 49	<b><u>ENERGY</u></b>			
AP 50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.87637
AP 51	Energy @ Generation with losses( kWh)	ENERGY1	1.00000	0.87637
AP 52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.87463
AP 53				
AP 51				
AP 55				
AP 56				
AP 57				
AP 58				
AP 59				
AP 60				
AP 61	<b><u>CUSTOMER</u></b>			
AP 62				
AP 63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.96116
AP 64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.96116
AP 65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.96116
AP 66				
AP 67			0.00000	0.00000
AP 68			0.00000	0.00000
AP 69			0.00000	0.00000
AP 70			0.00000	0.00000
AP 71				
AP 72	369-Services	CSERVICE	1.00000	0.90971
AP 73	370-Meters	CMETERS	1.00000	0.96227
AP 74				
AP 75	902-Meter Reading	CMETRDG	1.00000	0.96116
AP 76	903-Customer Records and Collections	CUSTREC	1.00000	0.96116
AP 77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.96116
AP 78	908-Customer Assistance	CUSTASST	1.00000	0.96116
AP 79	909-Advertisement	CUSTADVT	1.00000	0.96116
AP 80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.96116
AP 81				
AP 82			0.00000	0.00000
AP 83				
AP 84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.93676
AP 85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.98020
AP 86				
AP 87	Number of Bills	CUSTBILLS	1.00000	0.96116
AP 88	Number of Customers	CUST	1.00000	0.96116
AP 89				
AP 90				
AP 91				
AP 92				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 93	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>			
AP 94	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>			
AP 95				
AP 96	<b>Plant</b>			
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.91164
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.93136
AP 98	Rate Base	RATEBASE	1.00000	0.91149
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.91201
AP 101	Production Plant In Service	PRODPLT	1.00000	0.89831
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.90971
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.93475
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.93444
AP 105	General Plant in Service	GENLPLT	1.00000	0.91807
AP 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1.00000	0.81276
AP 107	Account 360	PLT_360	1.00000	0.95988
AP 108	Account 361	PLT_361	1.00000	0.98863
AP 109	Account 362	PLT_362	1.00000	0.83500
AP 110	Account 364	PLT_364	1.00000	0.94662
AP 111	Account 365	PLT_365	1.00000	0.95168
AP 112	Account 366	PLT_366	1.00000	0.98155
AP 113	Account 367	PLT_367	1.00000	0.97830
AP 114	Account 368	PLT_368	1.00000	0.96190
AP 115	Account 369	PLT_369	1.00000	0.97596
AP 116	Account 370	PLT_370	1.00000	0.95722
AP 117	Account 371	PLT_371	1.00000	0.96073
AP 118	Account 373	PLT_373	1.00000	0.95630
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.94855
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.97860
AP 121	Account 371&373	PLT_3713	1.00000	0.95877
AP 122				
AP 123	South Dakota	DPLTSD	1.00000	1.00000
AP 124	Wyoming	DPLTWY	1.00000	0.00000
AP 125	Montana	DPLTMT	1.00000	0.00000
AP 126				
AP 127				
AP 128				
AP 129				
AP 130				
AP 131				
AP 132				
AP 133				
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.91670
AP 135	Supervised O&M Expense excluding CUS	OMXFPPPT	1.00000	0.91590
AP 136				
AP 137				
AP 138				

BLACK HILLS POWER, INC.  
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 139	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>			
AP 140	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>			
AP 141	<b>Production Expense</b>			
AP 142	Account 500	OX_500	1.00000	0.89831
AP 143	Account 501	OX_501	0.00000	0.00000
AP 144	Account 502	OX_502	1.00000	0.89831
AP 145	Account 505	OX_505	1.00000	0.89831
AP 146	Account 506	OX_506	1.00000	0.89831
AP 147	Account 510	MX_510	1.00000	0.89831
AP 148	Account 511	MX_511	1.00000	0.89831
AP 149	Account 512	MX_512	1.00000	0.89831
AP 150	Account 513	MX_513	1.00000	0.89831
AP 151	Account 514	MX_514	1.00000	0.89831
AP 152	Account 546	OX_546	1.00000	0.89831
AP 153	Account 547	OX_547	0.00000	0.00000
AP 154	Account 548	OX_548	1.00000	0.89831
AP 155	Account 549	OX_549	1.00000	0.89831
AP 156	Account 551	MX_551	1.00000	0.89831
AP 157	Account 552	MX_552	1.00000	0.89831
AP 158	Account 553	MX_553	1.00000	0.89831
AP 159	Account 554	MX_554	1.00000	0.89831
AP 160	Account 556	OX_556	1.00000	0.89831
AP 161	Account 555	OX_555	1.00000	0.89831
AP 162	Account 557	OX_557	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.89831
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.89831
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.89831
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.89831
AP 167	<b>Transmission Expense</b>			
AP 168	Account 560	OX_560	1.00000	0.90971
AP 169	Account 561	OX_561	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.90971
AP 172	Account 565	OX_565	0.00000	0.00000
AP 173	Account 566	OX_566	1.00000	0.90971
AP 174	Account 567	OX_567	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.90971
AP 176	Account 569	MX_569	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.90971
AP 178	Account 571	MX_571	1.00000	0.90971
AP 179	Account 573	MX_573	1.00000	0.90971
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.90971
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.90971
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.90971
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.90971
AP 184				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 185	<b>ALLOCATION PROPORTIONS TABLE CONTINUED</b>			
AP 186	<b><u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u></b>			
AP 187	<b>Distribution Expense</b>			
AP 188	Account 580	OX_580	1.00000	0.93396
AP 189	Account 581	OX_581	1.00000	0.93475
AP 190	Account 582	OX_582	1.00000	0.83500
AP 191	Account 583	OX_583	1.00000	0.94855
AP 192	Account 584	OX_584	1.00000	0.97860
AP 193	Account 585	OX_585	1.00000	0.95877
AP 194	Account 586	OX_586	1.00000	0.96227
AP 195	Account 587	OX_587	1.00000	0.96227
AP 196	Account 588	OX_588	1.00000	0.93475
AP 197	Account 589	OX_589	1.00000	0.93475
AP 198	Account 590	MX_590	1.00000	0.94304
AP 199	Account 592	MX_592	1.00000	0.83500
AP 200	Account 593	MX_593	1.00000	0.94855
AP 201	Account 594	MX_594	1.00000	0.97860
AP 202	Account 595	MX_595	1.00000	0.96190
AP 203	Account 596	MX_596	1.00000	0.95877
AP 204	Account 597	MX_597	1.00000	0.96227
AP 205	Account 598	MX_598	1.00000	0.93475
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.93396
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.94304
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.93396
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.94304
AP 210				
AP 211	Account 902	OX_902	1.00000	0.96116
AP 212	Account 903	OX_903	1.00000	0.96116
AP 213	Account 904	OX_904	1.00000	0.96826
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.96248
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.96248
AP 216				
AP 217	Account908	OX_908	1.00000	0.96116
AP 218	Account909	OX_909	1.00000	0.96116
AP 219	Account910	OX_910	1.00000	0.96116
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.96116
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.96116
AP 222				
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.91673
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.91673
AP 225				
AP 226				
AP 227				
AP 228				
AP 229				
AP 230				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
(a)	(b)	(c)	(d)	
AP 231	<b>REVENUES AND BILLING DETERMINANTS</b>			
AP 232				
AP 233	Base Rate Sales Revenue	SALESREV	1.00000	0.92065
AP 234	South Dakota	SREVSD	1.00000	1.00000
AP 235	Wyoming	SREVWY	1.00000	0.00000
AP 236	Montana	SREVMT	1.00000	0.00000
AP 237				
AP 238				
AP 239				
AP 240	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.91411
AP 241				
AP 242				
AP 243				
AP 244				
AP 245				
AP 246	<b>PRESENT REVENUES FROM SALES INPUT</b>			
AP 247				
AP 248	Total Sales of Electricity Revenues		1.00000	0.92065
AP 249				
AP 250	Sales of Electricity Revenues		1.00000	0.92065
AP 251				
AP 252				
AP 253				
AP 254				
AP 255				
AP 256				
AP 257				
AP 258				
AP 259				
AP 260				
AP 261				
AP 262				
AP 263				
AP 264				
AP 265				
AP 266				
AP 267				
AP 268				
AP 269				
AP 270				
AP 271				
AP 272				
AP 273				
AP 274				
AP 275				
AP 276				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
ADA 1	<b>ALLOCATED DIRECT ASSIGNMENTS</b>			
ADA 2	<b>DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS</b>			
ADA 3				
ADA 4	<b>Write-Offs - Test Period</b>			
ADA 5	South Dakota	SREVSD	406,612	406,612
ADA 6	Wyoming	SREVVWY	13,330	0
ADA 7	Montana	SREVMT	0	0
ADA 8				
ADA 9				
ADA 10				
ADA 11				
ADA 12				
ADA 13				
ADA 14				
ADA 15	Total Write-Offs	EXP_904	419,942	406,612
ADA 16				
ADA 17	Total Write-Offs	EXP_904	1.00000	0.96826
ADA 18				
ADA 19	<b>Construction Advances</b>			
ADA 20	South Dakota	DPLTSD	99%	99.4%
ADA 21	Wyoming	DPLTWY	1%	0%
ADA 22	Montana	DPLTMT	0%	0%
ADA 23				
ADA 24				
ADA 25				
ADA 26				
ADA 27	Customer Advances for Construction	CUSTADV	100%	99%
ADA 28				
ADA 29	Customer Advances for Construction	CUSTADV	1.00000	0.99400
ADA 30				
ADA 31				
ADA 32				
ADA 33				
ADA 34				
ADA 35				
ADA 36				
ADA 37				
ADA 38				
ADA 39				
ADA 40				
ADA 41				
ADA 42				
ADA 43				
ADA 44				
ADA 45				
ADA 46				

BLACK HILLS POWER, INC.  
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY  
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
RRW 1	<b>REVENUE REQUIREMENTS</b>			
RRW 2				
RRW 3	PRESENT RATES			
RRW 4	-----			
RRW 5	RATE BASE		665,358,973	542,701,964
RRW 6	NET OPER INC (PRESENT RATES)		48,486,982	36,508,872
RRW 7	RATE OF RETURN (PRES RATES)		7.29%	6.73%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.92
RRW 9	SALES REVENUE (PRE RATES)		134,872,015	124,169,353
RRW 10				
RRW 11				
RRW 12				
RRW 13				
RRW 14	CLAIMED RATE OF RETURN			
RRW 15	-----			
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		56,422,441	46,021,127
RRW 18	SALES REVENUE REQ CLAIMED ROR		147,080,413	138,803,591
RRW 19	REVENUE DEFICIENCY SALES REV		12,208,398	14,634,238
RRW 20	PERCENT INCREASE REQUIRED		9.05%	9.27%
RRW 21	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 22				
RRW 23				
RRW 24				
RRW 25	PROPOSED REVENUES			
RRW 26	-----			
RRW 27	PROPOSED SALES REVENUES		152,035,636	138,803,636
RRW 28	REVENUE DEFICIENCY SALES REV		17,163,621	14,634,283
RRW 29	PERCENT INCREASE PROPOSED		12.73%	9.27%
RRW 30	PROPOSED RATE OF RETURN		9.22%	8.48%
RRW 31	RETURN REQ FOR PROPOSED REV		61,377,664	46,021,171
RRW 32	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 33				
RRW 34				
RRW 35				
RRW 36				
RRW 37				
RRW 38				
RRW 39				
RRW 40				
RRW 41				
RRW 42				
RRW 43				
RRW 44				
RRW 45				
RRW 46				