

Line	Description (a)	South Dakota Regulatory Asset (b)
1	<b><u>Amortization Expense:</u></b>	
2	Storm Atlas Regulatory Asset	
3	Regulatory Asset Balance - Final Costs	2,555,718
4	Less Employee Bonuses	(177,500)
5	Total Regulatory Asset	<u>\$ 2,378,218</u>
6		
7	2014 BHP SD System Inspection Costs - actual costs thru 9/30/14	
8	Contracted Distribution Line Patrol	435,809
9	O&M Repair Work - NonLabor	113,369
10	Internal Incremental Labor - O&M Repair and Line Patrol Work	230,030
11	Total BHP Inspection Costs	<u>\$ 779,208</u>
12		
13	Total Storm Atlas Regulatory Asset and System Inspection Costs	<u>\$ 3,157,426</u>
14		
15	Amortization Period (years)	10
16	Annual Amortization Expense	<u>\$ 315,743</u>
17		
18	<b><u>Rate Base:</u></b>	
19	Unamortized Balance	<u>\$ 2,683,812</u>
20		
21	Accumulated Deferred Income Tax	<u>\$ 939,334</u>

**Sources:**

Column b, line 3: BHP Response to Staff DR 3-17  
Column b, line 4: BHP Response to Staff DR 3-18  
Column b, line 5: sum of lines 3 and 4  
Column b, lines 8-10: BHP Supplemental Response to Staff DR 3-20  
Column b, line 11: sum of lines 8-10  
Column b, line 13: line 5 + line 11  
Column b, line 15: Staff Recommendation  
Column b, line 16: line 13 divided by line 15  
Column b, line 19: column 13 less (1.5 \* line 16)  
Column b, line 21: line 19 \* 35%