

Public Attachment MCC-1

Black Hills Power, Inc.  
 Docket EL14-026  
 South Dakota Electric Revenue Requirement  
 Adjusted Test Year Ended September 30, 2013

Exhibit (BAM-1)  
 Schedule 1  
 Page 1 of 1

Line	Description (a)	Staff Proposed South Dakota Electric Adjusted Test Year (b)	BHP Proposed South Dakota Electric Adjusted Test Year (c)	Difference (d)
1	Average Rate Base	\$ 543,925,179	\$ 542,701,964	\$ 1,223,215
2	Adjusted Test Year Operating Income	<u>37,736,318</u>	<u>36,508,872</u>	1,227,446
3	Earned Rate of Return	6.94%	6.73%	
4	Recommended Rate of Return	7.76%	8.48%	
5	Required Operating Income	42,208,594	46,021,171	(3,812,577)
6	Income Deficiency (Excess)	4,472,276		
7	Gross Revenue Conversion Factor	<u>1.53846</u>		
8	Revenue Deficiency (Excess)	6,880,425	14,634,238	(7,753,813)
9	Gross Receipts Tax (at 0.0015)	<u>10,321</u>		
10	<b>Total Revenue Deficiency (Excess)</b>	<b><u>6,890,746</u></b>	<b><u>14,634,238</u></b>	(7,743,492)
11	Adjusted Test Year Revenue	149,574,187	149,258,977	315,210
12	<b>Revenue Requirement</b>	<b>\$ 156,464,933</b>	<b>\$ 163,893,215</b>	<b>\$ (7,428,282)</b>

**SOURCES:**

Column b, line 1: BAM-2, schedule 1, page 1, column d, line 37  
 Column b, line 2: BAM-1, schedule 2, page 1, column d, line 30  
 Column b, line 3: Line 2 divided by line 1  
 Column b, line 4: BLC-1, Schedule 1, column d, line 3  
 Column b, line 5: Line 1 \* line 4  
 Column b, line 6: Line 5 less line 2  
 Column b, line 7: Effective FIT rate / inverse + 1  
 Column b, line 8: Line 6 \* line 7  
 Column b, line 9: Column b, line 8 \* 0.0015  
 Column b, line 10: Column b, line 8 plus line 9  
 Column b, line 11: BAM-1, schedule 2, page 1, column d, line 5  
 Column b, line 12: Line 10 plus line 11

Column c, line 1: Sch N-1, page 3 of 34, line 115  
 Column c, line 2: Sch N-1, page 1 of 34, line 20  
 Column c, line 3: Sch N-1, page 1 of 34, line 33  
 Column c, line 4: Statement G page 1 of 5  
 Column c, line 5: Sch N-1, page 3 of 34, line 112  
 Column c, line 8: Sch N-1, page 3 of 34, line 123  
 Column c, line 10: Sch N-1, page 3 of 34, line 123  
 Column c, line 11: Sch N-1, page 1 of 34, line 9  
 Column c, line 12: line 10 + line 11

Column d: Column b less column c

South Dakota Operating Income Statement With Known and Measurable Adjustments and Revenue Adjustment  
Adjusted Test Year Ended September 30, 2013

Line	Description (a)	South Dakota Per Books (b)	Total Staff Adjustments (c)	Adjusted Test Year (d)	Revenue Adjustment (e)	Adjusted Test Year with Revenue Adjustment (f)
1	OPERATING REVENUES:					
2	Sales of Electricity Revenues	\$ 146,724,130	\$ (22,174,475)	\$ 124,549,655	\$ 6,890,746	\$ 131,440,401
3	Contract Revenues	47,361,753	(28,072,908)	19,288,845		19,288,845
4	Other Operating Revenues	10,484,739	(4,749,052)	5,735,687		5,735,687
5	<b>TOTAL OPERATING REVENUES</b>	<b>204,570,622</b>	<b>(54,996,435)</b>	<b>149,574,187</b>	<b>6,890,746</b>	<b>156,464,933</b>
6	OPERATING EXPENSES:					
7	Operation and Maintenance:					
8	Production Expense	78,242,849	(52,712,338)	25,530,511		25,530,511
9	Transmission Expense	17,208,970	(16,653,708)	555,262		555,262
10	Distribution Expense	7,872,884	512,185	8,385,069		8,385,069
11	Customer Accounting Expense	2,606,300	482,929	3,089,229		3,089,229
12	Customer Service Expense	1,399,732	143,460	1,543,192		1,543,192
13	Sales Expense	27,285	(331)	26,954		26,954
14	Administrative and General Expense	26,304,736	1,719,852	28,024,588		28,024,588
15	Total Operation and Maintenance	133,662,756	(66,507,952)	67,154,804	-	67,154,804
16	Depreciation and Amortization	22,937,967	4,810,503	27,748,470		27,748,470
17	Taxes:					
18	Property Taxes	4,043,632	-	4,043,632		4,043,632
19	Payroll Taxes					
20	FICA	2,594,431	108,531	2,702,962		2,702,962
21	Federal Unemployment	19,149	2,483	21,632		21,632
22	State Unemployment	73,096	2,483	75,579		75,579
23	Gross Receipts Tax	211,595	-	211,595	10,321	221,916
24	Federal Income Taxes	6,748,135	2,507,463	9,255,598	2,408,149	11,663,747
25	Deferred Income Taxes	3,431,123	-	3,431,123		3,431,123
26	Investment Tax Credit	-	-	-		-
27	Other Taxes	(2,807,524)	-	(2,807,524)		(2,807,524)
28	Total Taxes	14,313,637	2,620,959	16,934,596	2,418,470	19,353,066
29	<b>TOTAL OPERATING EXPENSES</b>	<b>170,914,360</b>	<b>(59,076,490)</b>	<b>111,837,870</b>	<b>2,418,470</b>	<b>114,256,340</b>
30	<b>OPERATING INCOME</b>	<b>\$ 33,656,262</b>	<b>\$ 4,080,056</b>	<b>\$ 37,736,318</b>	<b>\$ 4,472,276</b>	<b>\$ 42,208,594</b>
31	Rate Base	419,344,687		\$ 543,925,179		\$ 543,925,179
32	Earned Rate of Return	8.03%		6.94%		7.76%
33	Staff Proposed Rate of Return			7.76%		7.76%

**SOURCES:**

Line 5: Sum of lines 2 through 4  
Line 15: Sum of lines 8 through 14  
Line 28: Sum of lines 18 through 27  
Line 29: Sum of lines 15, 16 and 28  
Line 30: Line 15 less line 29  
Line 31: BAM-2 Schedule 1, column d, line 37  
Line 32: Line 30 / line 31  
Line 33: BLC-1, Schedule 1, column d, line 3  
Column b: BAM-1, Schedule 3, column b

Column c: BAM-1, Schedule 3, column ap  
Column d: Column b plus column c

Column e, line 2: BAM-1, Schedule 1, page 1, column b, line 10  
Column e, line 23: BAM-1, Schedule 1, page 1, column b, line 9  
Column e, line 24: BAM-1, Sch 1, p 1, col b, line 8 less  
BAM-1, sch 1, p 1, col b, line 6

Column f: Column d plus column e

Line	Description	South Dakota Per Books	Wages & Salaries (H-1, L-1)	Black Hills Corp./ Black Hills Utility Holdings Intercompany Charges (H-5)	Employee Pension & Benefits (H-6)	Bad Debt (H-7)	Generation Dispatch & Scheduling (H-8)	Energy Cost Adjustment Expense Elimination (H-9)	Neil Simpson Complex Shared Facilities (H-10, I - note 5)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	OPERATING REVENUES:								
2	Sales of Electricity Revenues	\$ 146,724,130							
3	Contract Revenues	47,361,753							
4	Other Operating Revenues	10,484,739							775,367
5	<b>TOTAL OPERATING REVENUES</b>	<b>204,570,622</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>775,367</b>
6	OPERATING EXPENSES:								
7	Operation and Maintenance:								
8	Production Expense	78,242,849	690,177	(7,105)			(8,755)	(29,397,893)	514,838
9	Transmission Expense	17,208,970	35,715	360,283				(16,131,515)	
10	Distribution Expense	7,872,884	332,664	279,274					
11	Customer Accounting Expense	2,606,300	75,994	649,723					
12	Customer Service Expense	1,399,732	46,712			(14,090)			
13	Sales Expense	27,285							
14	Administrative and General Expense	26,304,736	237,446	1,090,775	17,483				
15	Total Operation and Maintenance	133,662,756	1,418,708	2,372,950	17,483	(14,090)	(8,755)	(45,529,408)	514,838
16	Depreciation and Amortization	22,937,967							
17	Taxes:								
18	Property Taxes	4,043,632							
19	Payroll Taxes								
20	FICA	2,594,431	108,531						
21	Federal Unemployment	19,149	2,483						
22	State Unemployment	73,096	2,483						
23	Gross Receipts Tax	211,595							
24	Federal Income Taxes	6,748,135	(536,271)	(830,533)	(6,119)	4,932	3,064	15,935,293	91,185
25	Deferred Income Taxes	3,431,123							
26	Investment Tax Credit	-							
27	Other Taxes	(2,807,524)							
28	Total Taxes	14,313,637	(422,775)	(830,533)	(6,119)	4,932	3,064	15,935,293	91,185
29	<b>TOTAL OPERATING EXPENSES</b>	<b>170,914,360</b>	<b>995,933</b>	<b>1,542,417</b>	<b>11,364</b>	<b>(9,158)</b>	<b>(5,691)</b>	<b>(29,594,115)</b>	<b>606,023</b>
30	<b>OPERATING INCOME</b>	<b>\$ 33,656,262</b>	<b>\$ (995,933)</b>	<b>\$ (1,542,417)</b>	<b>\$ (11,364)</b>	<b>\$ 9,158</b>	<b>\$ 5,691</b>	<b>\$ 29,594,115</b>	<b>\$ 169,345</b>
	Source	Statement N	BAM-3 Sch 1	DEP-1 Sch 2	Supplement to Staff DR 4-50	PJS-1 Sch 7	PJS-1 Sch 1	Schedule H-9 N-1 SD Allocators ENERGY1, ENEFUEL, & TRANPLT	PJS-1 Sch 11
	Staff Witness Testimony		Mehlhoff	Peterson	Peterson	Steffensen	Steffensen	Mehlhoff	Steffensen
	Staff position on BHP's Adjustment		Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Accepted	Adjusted

Line	Description (a)	Removal of Unallowed Advertising (H-11) (j)	Power Marketing Adjustment (H-12, I - note 1) (k)	Rate Case Expense (H-13) (l)	Vegetation Management (H-14) (m)	CPGS O&M (H-15) (n)	Ben French Severance Expense (H-16) (o)	Neil Simpson Complex Common Steam Allocation (H-17) (p)
1	OPERATING REVENUES:							
2	Sales of Electricity Revenues							
3	Contract Revenues		(27,663,899)					
4	Other Operating Revenues							
5	<b>TOTAL OPERATING REVENUES</b>	<u>-</u>	<u>(27,663,899)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6	OPERATING EXPENSES:							
7	Operation and Maintenance:							
8	Production Expense		(23,698,877)			2,470,782		48,593
9	Transmission Expense		(918,191)					
10	Distribution Expense				(379,978)			
11	Customer Accounting Expense	(1,190)						
12	Customer Service Expense	(22,287)						
13	Sales Expense	(331)						
14	Administrative and General Expense	(222,019)		129,772			(165,801)	
15	Total Operation and Maintenance	<u>(245,828)</u>	<u>(24,617,068)</u>	<u>129,772</u>	<u>(379,978)</u>	<u>2,470,782</u>	<u>(165,801)</u>	<u>48,593</u>
16	Depreciation and Amortization							
17	Taxes:							
18	Property Taxes							
19	Payroll Taxes							
20	FICA							
21	Federal Unemployment							
22	State Unemployment							
23	Gross Receipts Tax							
24	Federal Income Taxes	86,040	(1,066,391)	(45,420)	132,992	(864,774)	58,030	(17,008)
25	Deferred Income Taxes							
26	Investment Tax Credit							
27	Other Taxes							
28	Total Taxes	<u>86,040</u>	<u>(1,066,391)</u>	<u>(45,420)</u>	<u>132,992</u>	<u>(864,774)</u>	<u>58,030</u>	<u>(17,008)</u>
29	<b>TOTAL OPERATING EXPENSES</b>	<u>(159,788)</u>	<u>(25,683,459)</u>	<u>84,352</u>	<u>(246,986)</u>	<u>1,606,008</u>	<u>(107,771)</u>	<u>31,585</u>
30	<b>OPERATING INCOME</b>	<u>\$ 159,788</u>	<u>\$ (1,980,440)</u>	<u>\$ (84,352)</u>	<u>\$ 246,986</u>	<u>\$ (1,606,008)</u>	<u>\$ 107,771</u>	<u>\$ (31,585)</u>
	Source	EJP-1 Sch 3	Statement I, pg. 1 N-1 SD Allocator DPRD & BAM-3 Sch 3	EJP-1 Sch 2	PJS-1 Sch 9	BAM-3 Sch 8	Schedule H-16 N-1 SD Allocator SALWAGES	PJS-1 Sch 2
	Staff Witness Testimony	Paulson	Mehlhoff	Paulson	Steffensen	Mehlhoff	Paulson	Steffensen
	Staff position on BHP's Adjustment	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Accepted	Adjusted

Line	Description	Ben French, Osage, & Neil Simpson I O&M Elimination (H-18)	FutureTrack Workforce Development Program (H-19)	69 kV LIDAR Surveying Project (H-20)	Customer Service Model Adjustment (H-21)	Remove City of Gillette (I - note 2)	Unbilled Revenue (I - note 3)	Provision for Rate Refunds (I - note 3)
	(a)	(q)	(r)	(s)	(t)	(u)	(v)	(w)
1	OPERATING REVENUES:							
2	Sales of Electricity Revenues							
3	Contract Revenues							
4	Other Operating Revenues					(409,009)	(1,882,932)	1,740,730
5	<b>TOTAL OPERATING REVENUES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(409,009)</u>	<u>(1,882,932)</u>	<u>1,740,730</u>
6	OPERATING EXPENSES:							
7	Operation and Maintenance:							
8	Production Expense	(3,324,098)						
9	Transmission Expense							
10	Distribution Expense		185,329	64,107				
11	Customer Accounting Expense				(211,948)			
12	Customer Service Expense		146,276					
13	Sales Expense							
14	Administrative and General Expense							
15	Total Operation and Maintenance	<u>(3,324,098)</u>	<u>331,605</u>	<u>64,107</u>	<u>(211,948)</u>	<u>-</u>	<u>-</u>	<u>-</u>
16	Depreciation and Amortization				(2,586)			
17	Taxes:							
18	Property Taxes							
19	Payroll Taxes							
20	FICA							
21	Federal Unemployment							
22	State Unemployment							
23	Gross Receipts Tax							
24	Federal Income Taxes	1,163,434	(116,062)	(22,437)	75,087	(143,153)	(659,026)	609,256
25	Deferred Income Taxes							
26	Investment Tax Credit							
27	Other Taxes							
28	Total Taxes	<u>1,163,434</u>	<u>(116,062)</u>	<u>(22,437)</u>	<u>75,087</u>	<u>(143,153)</u>	<u>(659,026)</u>	<u>609,256</u>
29	<b>TOTAL OPERATING EXPENSES</b>	<u>(2,160,664)</u>	<u>215,543</u>	<u>41,670</u>	<u>(139,447)</u>	<u>(143,153)</u>	<u>(659,026)</u>	<u>609,256</u>
30	<b>OPERATING INCOME</b>	<u>\$ 2,160,664</u>	<u>\$ (215,543)</u>	<u>\$ (41,670)</u>	<u>\$ 139,447</u>	<u>\$ (265,856)</u>	<u>\$ (1,223,906)</u>	<u>\$ 1,131,474</u>
	Source	Schedule H-18 N-1 SD Allocators SALWAGPO, SALWAGPM, DPROD, ENEFUEL	DEP-1 Sch 4	PJS-1 Sch 5	PJS-1 Sch 3	Statement I, pg. 1 N-1 SD Allocator DPROD	Statement I, pg. 1	Statement I, pg. 1
	Staff Witness Testimony	Mehlhoff	Peterson	Steffensen	Steffensen	Mehlhoff	Steffensen	Steffensen
	Staff position on BHP's Adjustment	Accepted	Adjusted	Adjusted	Adjusted	Accepted	Accepted	Accepted

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Line	Description (a)	Removal of Energy Cost Revenue (I - note 4 & I p. 4) (x)	PIPR Rate Annualization (I-2) (y)	Weather Normalization (I - note 6) (z)	Industrial Contract Service Accrual (I - note 6) (aa)	EL12-061 Rate Increase Annualization (I - note 6) (ab)	Interest Sync (K) (ac)	Depreciation Expense (J) (ad)	Decommissioning Regulatory Asset (J-2) (ae)	Storm Atlas Regulatory Asset (J-3) (af)
1	OPERATING REVENUES:									
2	Sales of Electricity Revenues	\$ (33,682,213)	\$ 4,751,938	\$ (264,403)	\$ 19,998	\$ 7,000,205				
3	Contract Revenues									
4	Other Operating Revenues	(5,471,871)								
5	<b>TOTAL OPERATING REVENUES</b>	<b>(39,154,084)</b>	<b>4,751,938</b>	<b>(264,403)</b>	<b>19,998</b>	<b>7,000,205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
6	OPERATING EXPENSES:									
7	Operation and Maintenance:									
8	Production Expense									
9	Transmission Expense									
10	Distribution Expense									
11	Customer Accounting Expense									
12	Customer Service Expense									
13	Sales Expense									
14	Administrative and General Expense									
15	Total Operation and Maintenance	-	-	-	-	-	-	-	-	-
16	Depreciation and Amortization						3,028,839	1,468,507	\$ 315,743	
17	Taxes:									
18	Property Taxes									
19	Payroll Taxes									
20	FICA									
21	Federal Unemployment									
22	State Unemployment									
23	Gross Receipts Tax									
24	Federal Income Taxes	(13,703,929)	1,663,178	(92,541)	6,999	2,450,072	709,187	(1,060,094)	(513,977)	(110,510)
25	Deferred Income Taxes									
26	Investment Tax Credit									
27	Other Taxes									
28	Total Taxes	(13,703,929)	1,663,178	(92,541)	6,999	2,450,072	709,187	(1,060,094)	(513,977)	(110,510)
29	<b>TOTAL OPERATING EXPENSES</b>	<b>(13,703,929)</b>	<b>1,663,178</b>	<b>(92,541)</b>	<b>6,999</b>	<b>2,450,072</b>	<b>709,187</b>	<b>1,968,745</b>	<b>954,530</b>	<b>205,233</b>
30	<b>OPERATING INCOME</b>	<b>\$ (25,450,155)</b>	<b>\$ 3,088,760</b>	<b>\$ (171,862)</b>	<b>\$ 12,999</b>	<b>\$ 4,550,133</b>	<b>\$ (709,187)</b>	<b>\$ (1,968,745)</b>	<b>\$ (954,530)</b>	<b>\$ (205,233)</b>
	Source	Statement I, pg. 1 & 4 100% Direct Allocation	Schedule I-2	BLC-1 Sch 8	CRG-3	CRG-4	BAM-3 Sch 2	BAM-3 Sch 4	BAM-3 Sch 9	BAM-3 Sch 10
	Staff Witness Testimony	Mehlhoff	Steffensen	Copeland	Steffensen	Steffensen	Mehlhoff	Mehlhoff/Peterson	Mehlhoff	Mehlhoff
	Staff position on BHP's Adjustment	Accepted	Accepted	Adjusted	Accepted	Accepted	Adjusted	Adjusted	Adjusted	Adjusted

Public Attachment MCC-1

Line	Description	Charitable Contributions	Storm Damage	Incentive Compensation	Economic Development	Association Dues	Custer to Hot Springs Cooperatives Revenues	Workers Compensation	Black Hills Corp./ Black Hills Service Co. Intercompany Charges (H-4)	Income Tax Adjustment (K)
	(a)	(ag)	(ah)	(ai)	(aj)	(ak)	(al)	(am)	(an)	(ao)
1	OPERATING REVENUES:									
2	Sales of Electricity Revenues									
3	Contract Revenues									
4	Other Operating Revenues						89,654			
5	<b>TOTAL OPERATING REVENUES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,654</u>	<u>-</u>	<u>-</u>	<u>-</u>
6	OPERATING EXPENSES:									
7	Operation and Maintenance:									
8	Production Expense									
9	Transmission Expense									
10	Distribution Expense		30,874			(85)				
11	Customer Accounting Expense	(15,559)								
12	Customer Service Expense				(26,664)	(577)				
13	Sales Expense									
14	Administrative and General Expense			(666,068)		(5,184)		171,566	1,131,881	
15	Total Operation and Maintenance	<u>(15,559)</u>	<u>30,874</u>	<u>(666,068)</u>	<u>(26,664)</u>	<u>(5,846)</u>	<u>-</u>	<u>171,566</u>	<u>1,131,881</u>	<u>-</u>
16	Depreciation and Amortization									
17	Taxes:									
18	Property Taxes									
19	Payroll Taxes									
20	FICA									
21	Federal Unemployment									
22	State Unemployment									
23	Gross Receipts Tax									
24	Federal Income Taxes	5,446	(10,806)	233,124	9,332	2,046	31,379	(60,048)	(396,158)	(507,356)
25	Deferred Income Taxes									
26	Investment Tax Credit									
27	Other Taxes									
28	Total Taxes	<u>5,446</u>	<u>(10,806)</u>	<u>233,124</u>	<u>9,332</u>	<u>2,046</u>	<u>31,379</u>	<u>(60,048)</u>	<u>(396,158)</u>	<u>(507,356)</u>
29	<b>TOTAL OPERATING EXPENSES</b>	<u>(10,113)</u>	<u>20,068</u>	<u>(432,944)</u>	<u>(17,332)</u>	<u>(3,800)</u>	<u>31,379</u>	<u>111,518</u>	<u>735,723</u>	<u>(507,356)</u>
30	<b>OPERATING INCOME</b>	<u>\$ 10,113</u>	<u>\$ (20,068)</u>	<u>\$ 432,944</u>	<u>\$ 17,332</u>	<u>\$ 3,800</u>	<u>\$ 58,275</u>	<u>\$ (111,518)</u>	<u>\$ (735,723)</u>	<u>\$ 507,356</u>
	Source	Staff DR 2-27	PJS-1 Sch 8	DEP-1 Sch 1	EJP-1 Sch 4	EJP-1 Sch 1	Supplement to Staff DR 6-40 N-1 SD Allocator TDPLT Mehlhaff	Staff DR 2-26	DEP-1 Sch 3	BAM-3 Sch 11
	Staff Witness Testimony	Paulson	Steffensen	Peterson	Paulson	Paulson	Mehlhaff	Paulson	Peterson	Mehlhaff
	Staff position on BHP's Adjustment	Staff Proposed	Staff Proposed	Staff Proposed	Staff Proposed	Staff Proposed	Staff Proposed	Company Proposed	Company Proposed	Accepted

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Line	Description	Subtotal Staff Adjustments (ap)	Adjusted Test Year (aq)
1	OPERATING REVENUES:		
2	Sales of Electricity Revenues	\$ (22,174,475)	\$ 124,549,655
3	Contract Revenues	(28,072,908)	19,288,845
4	Other Operating Revenues	(4,749,052)	5,735,687
5	<b>TOTAL OPERATING REVENUES</b>	<b>(54,996,435)</b>	<b>149,574,187</b>
6	OPERATING EXPENSES:		
7	Operation and Maintenance:		
8	Production Expense	(52,712,338)	25,530,511
9	Transmission Expense	(16,653,708)	555,262
10	Distribution Expense	512,185	8,385,069
11	Customer Accounting Expense	482,929	3,089,229
12	Customer Service Expense	143,460	1,543,192
13	Sales Expense	(331)	26,954
14	Administrative and General Expense	1,719,852	28,024,588
15	Total Operation and Maintenance	(66,507,952)	67,154,804
16	Depreciation and Amortization	4,810,503	27,748,470
17	Taxes:		
18	Property Taxes	-	4,043,632
19	Payroll Taxes		-
20	FICA	108,531	2,702,962
21	Federal Unemployment	2,483	21,632
22	State Unemployment	2,483	75,579
23	Gross Receipts Tax	-	211,595
24	Federal Income Taxes	2,507,463	9,255,598
25	Deferred Income Taxes	-	3,431,123
26	Investment Tax Credit	-	-
27	Other Taxes	-	(2,807,524)
28	Total Taxes	2,620,959	16,934,596
29	<b>TOTAL OPERATING EXPENSES</b>	<b>(59,076,490)</b>	<b>111,837,870</b>
30	<b>OPERATING INCOME</b>	<b>\$ 4,080,056</b>	<b>\$ 37,736,318</b>

Source

Staff Witness Testimony

Staff position on BHP's Adjustment

**SOURCES:**

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Line 5:	Sum of lines 2 through 4
Line 15:	Sum of lines 8 through 14
Line 28:	Sum of lines 18 through 27
Line 29:	Sum of lines 15, 16, and 28
Line 30:	Line 5 less line 29
Column b, line 2:	Statement N, page 11 of 34, column (d), line 4
Column b, line 3:	Statement N, page 11 of 34, column (d), line 5
Column b, line 4:	Statement N, page 11 of 34, column (d), line 15
Column b, line 8:	Statement N, page 13 of 34, column (d), line 57
Column b, line 9:	Statement N, page 13 of 34, column (d), line 81
Column b, line 10:	Statement N, page 14 of 34, column (d), line 122
Column b, line 11:	Statement N, page 15 of 34, column (d), line 148
Column b, line 12:	Statement N, page 15 of 34, column (d), line 156
Column b, line 13:	Statement N, page 15 of 34, column (d), line 158
Column b, line 14:	Statement N, page 15 of 34, column (d), line 176
Column b, line 16:	Statement N, page 16 of 34, column (d), line 32
Column b, line 18:	Statement N, page 17 of 34, column (d), line 16
Column b, line 20:	Statement N, page 17 of 34, column (d), line 5
Column b, line 21:	Statement N, page 17 of 34, column (d), line 6
Column b, line 22:	Statement N, page 17 of 34, column (d), line 9
Column b, line 23:	Statement N, page 17 of 34, column (d), line 12
Column b, line 24:	Statement N, page 18 of 34, column (d), line 28
Column b, line 25:	Statement N, page 18 of 34, line 30 less BAM-1 Sch 3 column b, line 26
Column b, line 26:	Statement K, page 2 of 3, column (c),line 66
Column b, line 27:	Statement N, page 17 of 34, column (d), line 18

Line	Description	South Dakota Test Year Average Per Books	Total Pro Forma Adjustments	South Dakota Pro Forma Rate Base
	(a)	(b)	(c)	(d)
1	Electric Plant in Service			
2	Production (including unclassified)	\$ 465,623,884	\$ 48,495,418	\$ 514,119,302
3	Transmission (including unclassified)	3,791,973	-	3,791,973
4	Distribution (including unclassified)	284,252,490	24,042,948	308,295,438
5	General (including unclassified)	35,656,198	8,174,519	43,830,717
6	Other Utility Plant in Service	21,856,324	1,945,332	23,801,656
7	Plant Acquisition Adjustment	4,375,022	-	4,375,022
8	Total Plant in Service	815,555,891	82,658,217	898,214,108
9	Accumulated Depreciation & Amortization			
10	Production	168,821,505	(42,527,903)	126,293,602
11	Transmission	715,447	33,513	748,960
12	Distribution	93,640,468	237,083	93,877,551
13	General	15,918,118	(354,740)	15,563,378
14	Other Utility	14,544,750	81,193	14,625,943
15	Plant Acquisition Adjustment	2,835,303	-	2,835,303
16	Total Accumulated Depreciation and Amortization	296,475,591	(42,530,854)	253,944,737
17	TOTAL NET ELECTRIC PLANT IN SERVICE	519,080,300	125,189,071	644,269,371
18	Additions to Rate Base:			
19	Materials and Supplies	12,417,940	852,997	13,270,937
20	Fuel Stocks	5,247,278	1,076,343	6,323,621
21	Prepayments	498,993	-	498,993
22	Advanced Tax Collections	(1,104,506)	738,343	(366,163)
23	Working Capital	(4,039,837)	4,243,767	203,930
24	Other	-	15,768,035	15,768,035
25	TOTAL ADDITIONS TO RATE BASE	13,019,868	22,679,484	35,699,352
26	Deductions to Rate Base:			
27	Accumulated Deferred Income Taxes	107,533,008	15,915,494	123,448,502
28	Accumulated Investment Tax Credit	-	-	-
29	Customer Advances for Construction	1,165,985	(78,161)	1,087,824
30	Customer Deposits	-	-	-
31	Accumulated Provision for Uncollectibles	-	-	-
32	Accumulated Provision for Injuries and Damages	-	-	-
33	Miscellaneous Operating Provisions	-	-	-
34	FAS 109	-	-	-
35	Other	4,056,488	7,450,730	11,507,218
36	TOTAL DEDUCTIONS TO RATE BASE	112,755,481	23,288,063	136,043,544
37	TOTAL SOUTH DAKOTA RATE BASE	\$ 419,344,687	\$ 124,580,492	\$ 543,925,179

**Sources:**

Line 8: Sum of lines 2 through 7  
Line 16: Sum of lines 10 through 15  
Line 17: Line 8 less line 16  
Line 25: Sum of lines 19 through 24  
Line 36: Sum of lines 27 through 35

Line 37: Line 17 plus 25 less line 36  
Column b: BAM-2 Schedule 2, page 1, column b  
Column c: BAM-2 Schedule 2, page 1, column t  
Column d: column b plus column c

Line	Description	South Dakota Test Year Average Per Books	CPGS Plant Addition (D-11, M-2)	Test Year Plant In-Service Annualization (W-4, M-2)	Post Test Year Plant Additions (D-10, M-2)	Ben French, Neil Simpson I, & Osage Retirements (D, E, WP-5, M-2)	Accumulated Depreciation (E)	Cash Working Capital (F-3)	Rate Case Expense (H-13)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Electric Plant in Service								
2	Production (including unclassified)	\$ 465,623,884	\$ 80,944,734	3,046,616	13,691,564	(49,187,496)			
3	Transmission (including unclassified)	3,791,973							
4	Distribution (including unclassified)	284,252,490		4,738,994	19,303,954				
5	General (including unclassified)	35,656,198		2,313,414	6,658,457	(167,278)			
6	Other Utility	21,856,324			1,945,332				
7	Plant Acquisition Adjustment	4,375,022							
8	Total Plant in Service	815,555,891	80,944,734	10,099,024	41,599,307	(49,354,774)	-	-	-
9	Accumulated Depreciation & Amortization								
10	Production	168,821,505				(43,673,321)	1,145,418		
11	Transmission	715,447					33,513		
12	Distribution	93,640,468					237,083		
13	General	15,918,118				(59,236)	17,209		
14	Other Utility	14,544,750					81,193		
15	Plant Acquisition Adjustment	2,835,303					-		
16	Total Accumulated Depreciation and Amortization	296,475,591	-	-	-	(43,732,557)	1,514,416	-	-
17	TOTAL NET ELECTRIC PLANT IN SERVICE	519,080,300	80,944,734	10,099,024	41,599,307	(5,622,217)	(1,514,416)	-	-
18	Additions to Rate Base:								
19	Materials and Supplies	12,417,940							
20	Fuel Stocks	5,247,278							
21	Prepayments	498,993							
22	Advanced Tax Collections	(1,104,506)						738,343	
23	Working Capital	(4,039,837)						4,243,767	
24	Other								369,191
25	TOTAL ADDITIONS TO RATE BASE	13,019,868	-	-	-	-	-	4,982,110	369,191
26	Deductions to Rate Base:								
27	Accumulated Deferred Income Taxes	107,533,008	12,048,960	1,710,931	103,518	378,116			
28	Accumulated Investment Tax Credit								
29	Customer Advances for Construction	1,165,985							
30	Customer Deposits								
31	Accumulated Provision for Uncollectibles								
32	Accumulated Provision for Injuries and Damages								
33	Miscellaneous Operating Provisions								
34	FAS 109								
35	Other	4,056,488							
36	TOTAL DEDUCTIONS TO RATE BASE	112,755,481	12,048,960	1,710,931	103,518	378,116	-	-	-
37	TOTAL SOUTH DAKOTA RATE BASE	\$ 419,344,687	68,895,774	8,388,093	41,495,789	(6,000,333)	(1,514,416)	4,982,110	369,191
	Source	Statement N	BAM-3 Sch 7	BAM-3 Sch 6	BAM-3 Sch 5	D, E, WP-5, M-2 N-1 SD Allocators DPROD, PRODPLT, GENLPLT, TOTPLT	BAM-3 Sch 4	PJS-1 Sch 4	EJP-1 Sch 2
	Staff Witness Testimony		Mehlhoff	Mehlhoff	Mehlhoff	Mehlhoff	Mehlhoff/Peterson	Steffensen	Paulson
	Staff position on BHP's Adjustment		Adjusted	Adjusted	Adjusted	Accepted	Adjusted	Adjusted	Adjusted

Public Attachment MCC-1

Line	Description	Decommissioning Regulatory Asset (J-2, M-2)	Storm Atlas Regulatory Asset (J-3, M-2)	Tax Return True-up (M-1)	NOL Adjustment (M-2)	Other Working Capital (F-1, F-4)	69 kV LIDAR Surveying Project (H-20)	Customer Service Model (H-21)	Sturgis Office & Operations Center
	(a)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
1	Electric Plant in Service								
2	Production (including unclassified)								
3	Transmission (including unclassified)								
4	Distribution (including unclassified)								
5	General (including unclassified)							(55,989)	(574,085)
6	Other Utility								
7	Plant Acquisition Adjustment								
8	Total Plant in Service	-	-	-	-	-	-	(55,989)	(574,085)
9	Accumulated Depreciation & Amortization								
10	Production								
11	Transmission								
12	Distribution								
13	General							(47,056)	(265,657)
14	Other Utility								
15	Plant Acquisition Adjustment								
16	Total Accumulated Depreciation and Amortization	-	-	-	-	-	-	(47,056)	(265,657)
17	TOTAL NET ELECTRIC PLANT IN SERVICE	-	-	-	-	-	-	(8,933)	(308,428)
18	Additions to Rate Base:								
19	Materials and Supplies					852,997			
20	Fuel Stocks					1,076,343			
21	Prepayments								
22	Advanced Tax Collections								
23	Working Capital								
24	Other	12,482,309	2,683,812				154,093		
25	TOTAL ADDITIONS TO RATE BASE	12,482,309	2,683,812	-	-	1,929,339	154,093	-	-
26	Deductions to Rate Base:								
27	Accumulated Deferred Income Taxes	1,264,351	939,334	(135,507)	(225,815)		53,932		
28	Accumulated Investment Tax Credit								
29	Customer Advances for Construction					(78,161)			
30	Customer Deposits								
31	Accumulated Provision for Uncollectibles								
32	Accumulated Provision for Injuries and Damages								
33	Miscellaneous Operating Provisions								
34	FAS 109								
35	Other								
36	TOTAL DEDUCTIONS TO RATE BASE	1,264,351	939,334	(135,507)	(225,815)	(78,161)	53,932	-	-
37	TOTAL SOUTH DAKOTA RATE BASE	11,217,958	1,744,478	135,507	225,815	2,007,501	100,160	(8,933)	(308,428)
	Source	BAM-3 Sch 9	BAM-3 Sch 10	M-1, pg. 2, line 59, col. (o) N-1 Allocator TOTPLT	Schedule M-2 N-1 Allocator TOTPLT	PJS-1 Sch 10	PJS-1 Sch 5	PJS-1 Sch 3	Email from Jon Thurber on 10/01/14
	Staff Witness Testimony	Mehlhoff	Mehlhoff	Peterson	Peterson	Steffensen	Steffensen	Steffensen	Mehlhoff
	Staff position on BHP's Adjustment	Adjusted	Adjusted	Accepted	Accepted	Adjusted	Adjusted	Staff Proposed	Staff Proposed

Public Attachment MCC-1

Line	Description	Wages & Salaries (r)	Other Rate Base Reductions (M-1) (s)	Total Staff Adjustments (t)	Total Staff South Dakota Rate Base (u)
1	Electric Plant in Service				
2	Production (including unclassified)			\$ 48,495,418	\$ 514,119,302
3	Transmission (including unclassified)			-	3,791,973
4	Distribution (including unclassified)			24,042,948	308,295,438
5	General (including unclassified)			8,174,519	43,830,717
6	Other Utility			1,945,332	23,801,656
7	Plant Acquisition Adjustment			-	4,375,022
8	Total Plant in Service	-	-	82,658,217	898,214,108
9	Accumulated Depreciation & Amortization				
10	Production			(42,527,903)	126,293,602
11	Transmission			33,513	748,960
12	Distribution			237,083	93,877,551
13	General			(354,740)	15,563,378
14	Other Utility			81,193	14,625,943
15	Plant Acquisition Adjustment			-	2,835,303
16	Total Accumulated Depreciation and Amortization	-	-	(42,530,854)	253,944,737
17	TOTAL NET ELECTRIC PLANT IN SERVICE	-	-	125,189,071	644,269,371
18	Additions to Rate Base:				
19	Materials and Supplies			852,997	13,270,937
20	Fuel Stocks			1,076,343	6,323,621
21	Prepayments			-	498,993
22	Advanced Tax Collections			738,343	(366,163)
23	Working Capital			4,243,767	203,930
24	Other	78,630	-	15,768,035	15,768,035
25	TOTAL ADDITIONS TO RATE BASE	78,630	-	22,679,484	35,699,352
26	Deductions to Rate Base:				
27	Accumulated Deferred Income Taxes		(222,326)	15,915,494	123,448,502
28	Accumulated Investment Tax Credit			-	-
29	Customer Advances for Construction			(78,161)	1,087,824
30	Customer Deposits			-	-
31	Accumulated Provision for Uncollectibles			-	-
32	Accumulated Provision for Injuries and Damages			-	-
33	Miscellaneous Operating Provisions			-	-
34	FAS 109			-	-
35	Other		7,450,730	7,450,730	11,507,218
36	TOTAL DEDUCTIONS TO RATE BASE	-	7,228,404	23,288,063	136,043,544
37	TOTAL SOUTH DAKOTA RATE BASE	78,630	(7,228,404)	124,580,492	\$ 543,925,179

Source	BAM-3 Sch 1	M-1, pg. 2, line 59, col. (q) N-1 Allocators TOTPLT & SALWAGES
Staff Witness Testimony	Mehlhoff	Mehlhoff
Staff position on BHP's Adjustment	Staff Proposed	Accepted

Public Attachment MCC-1

**Sources**

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Line 8: Sum of lines 2 through 7  
Line 16: Sum of lines 10 through 15  
Line 17: Line 8 less line 16  
Line 25: Sum of lines 19 through 24  
Line 36: Sum of lines 27 through 35  
Line 37: Line 17 plus 25 less line 36

Column b, line 2: Statement N, page 4 of 34, column d, line 30  
Column b, line 3: Statement N, page 4 of 34, column d, line 43  
Column b, line 4: Statement N, page 5 of 34, column d, line 78  
Column b, line 5: Statement N, page 6 of 34, column d, line 109  
Column b, line 6: Statement N, page 6 of 34, column d, line 111  
Column b, line 7: Statement N, page 6 of 34, column d, line 113

Column b, line 10: Statement N, page 7 of 34, column d, line 3  
Column b, line 11: Statement N, page 7 of 34, column d, line 5  
Column b, line 12: Statement N, page 7 of 34, column d, line 22  
Column b, line 13: Statement N, page 7 of 34, column d, line 24  
Column b, line 14: Statement N, page 7 of 34, column d, line 26  
Column b, line 15: Statement N, page 7 of 34, column d, line 30

Column b, line 19: Statement N, page 8 of 34, column d, line 7  
Column b, line 20: Statement N, page 8 of 34, column d, line 6  
Column b, line 21: Statement N, page 8 of 34, column d, line 8  
Column b, line 22: Statement N, page 9 of 34, column d, line 38  
Column b, line 23: Statement N, page 9 of 34, column d, line 36

Column b, line 27: Statement N, page 8 of 34, column d, line 25  
Column b, line 29: Statement N, page 8 of 34, column d, line 12  
Column b, line 35: Statement N, page 8 of 34, column d, sum of lines 13 - 18

## Public Attachment MCC-1

<b>Description</b>	<b>Allocation Basis</b>	<b>SD Allocation Factor</b>
<b>DEMAND - PRODUCTION RELATED</b>		
Demand Production (12 CP)	DPROD	0.898305085
<b>DEMAND - TRANSMISSION RELATED</b>		
Demand Transmission (NCP)	DTRAN	0.909711114
<b>DEMAND - DISTRIBUTION RELATED (NCP)</b>		
Demand Distribution Primary Substation	DDISPSUB	0.909711114
Demand Distribution Primary Overhead Lines	DDISTPOL	0.909711114
Demand Distribution Primary Underground Lines	DDISTPUL	0.909711114
Demand Distribution Secondary Overhead Lines	DDISTSOL	0.909711114
Demand Distribution Secondary Underground Lines	DDISTSUL	0.909711114
Demand Distribution Overhead Line Transformers	DDISTSOT	0.909711114
Demand Distribution Undergrnd Line Transformers	DDISTSUT	0.909711114
<b>ENERGY</b>		
Energy @ Generation with losses (kWh)	ENEFUEL	0.876368373
Energy @ Generation with losses( kWh)	ENERGY1	0.876368373
Energy @ Meter (kWh Sales)	ENERGY2	0.8746281
<b>CUSTOMER</b>		
Customer Dist. Primary Substation	CDISPSUB	0.961156408
Customer Dist. Primary Overhead Lines	CDISTPOL	0.961156408
Customer Dist. Primary Underground Lines	CDISTPUL	0.961156408
369-Services	CSERVICE	0.909711114
370-Meters	CMETERS	0.962274571
902-Meter Reading	CMETRDG	0.961156408
903-Customer Records and Collections	CUSTREC	0.961156408
905-Miscellaneous Customer Accounts	CUSTCAM	0.961156408
908-Customer Assistance	CUSTASST	0.961156408
909-Advertisement	CUSTADVT	0.961156408
910-Miscellaneous Customer Service	CUSTCSM	0.961156408
371-Installation on Customer Premises	CUSTPREM	0.93676313
373-Street Lighting & Signal Systems	CLIGHT	0.98019802
Number of Bills	CUSTBILLS	0.961156408
Number of Customers	CUST	0.961156408
<b>INTERNALLY DEVELOPED ALLOCATION FACTORS</b>		
<b>Plant</b>		
Prod, Trans, and Distr Plant in Service	PTDPLT	0.911639398
Distribution Plant Excl Not Classified	DISTPLTXNC	0.93136213

Public Attachment MCC-1

Rate Base	RATEBASE	0.911487262
Total Electric Plant In Service	TOTPLT	0.912008327
Production Plant In Service	PRODPLT	0.898305085
Transmission Plant in Service	TRANPLT	0.90971114
Distribution Plant in Service	DISTPLT	0.934747194
Total Transmission and Distribution Plant	TDPLT	0.934436832
General Plant in Service	GENLPLT	0.918072785
Total Electric Plant in Service plus CUS	TOTPLTCUS	0.812757765
Account 360	PLT_360	0.959875922
Account 361	PLT_361	0.988631051
Account 362	PLT_362	0.834997296
Account 364	PLT_364	0.94661962
Account 365	PLT_365	0.951677703
Account 366	PLT_366	0.981552987
Account 367	PLT_367	0.978299443
Account 368	PLT_368	0.961904078
Account 369	PLT_369	0.975959071
Account 370	PLT_370	0.957219167
Account 371	PLT_371	0.960725876
Account 373	PLT_373	0.956300911
Distribution Overhead Plant in Service	OHDIST	0.948548179
Distribution Underground Plant in Service	UGDIST	0.97860305
Account 371&373	PLT_3713	0.958768995
South Dakota	DPLTSD	1
Wyoming	DPLTWY	0
Montana	DPLTMT	0
Total O&M less Fuel and Purchased Power	OMXFPP	0.916696837
Supervised O&M Expense excluding CUS	OMXFPPT	0.915897774
<b>INTERNALLY DEVELOPED ALLOCATION FACTORS</b>		
Production Expense		
Account 500	OX_500	0.898305085
Account 501	OX_501	0
Account 502	OX_502	0.898305085
Account 505	OX_505	0.898305085
Account 506	OX_506	0.898305085
Account 510	MX_510	0.898305085
Account 511	MX_511	0.898305085
Account 512	MX_512	0.898305085
Account 513	MX_513	0.898305085
Account 514	MX_514	0.898305085
Account 546	OX_546	0.898305085
Account 547	OX_547	0
Account 548	OX_548	0.898305085
Account 549	OX_549	0.898305085
Account 551	MX_551	0.898305085
Account 552	MX_552	0.898305085
Account 553	MX_553	0.898305085
Account 554	MX_554	0.898305085
Account 556	OX_556	0.898305085
Account 555	OX_555	0.898305085
Account 557	OX_557	0
O&M Expense Production Operation	OX_PROD	0.898305085

Public Attachment MCC-1

O&M Expense Production Maintenance	MX_PROD	0.898305085
Salaries and Wages Production Operation	SALWAGPO	0.898305085
Salaries and Wages Production Maintenance	SALWAGPM	0.898305085
Transmission Expense		
Account 560	OX_560	0.90971114
Account 561	OX_561	0
Account 562	OX_562	0
Account 563	OX_563	0.90971114
Account 565	OX_565	0
Account 566	OX_566	0.90971114
Account 567	OX_567	0
Account 568	MX_568	0.90971114
Account 569	MX_569	0
Account 570	MX_570	0.90971114
Account 571	MX_571	0.90971114
Account 573	MX_573	0.90971114
O&M Accounts 561-567	OX_TRAN	0.90971114
O&M Accounts 569-573	MX_TRAN	0.90971114
Salaries & Wages Accounts 561-567	SALWAGTO	0.90971114
Salaries & Wages Accounts 569-573	SALWAGTM	0.90971114

INTERNALLY DEVELOPED ALLOCATION FACTORS

Distribution Expense		
Account 580	OX_580	0.93395568
Account 581	OX_581	0.934747194
Account 582	OX_582	0.834997296
Account 583	OX_583	0.948548179
Account 584	OX_584	0.97860305
Account 585	OX_585	0.958768995
Account 586	OX_586	0.962274571
Account 587	OX_587	0.962274571
Account 588	OX_588	0.934747194
Account 589	OX_589	0.934747194
Account 590	MX_590	0.943041119
Account 592	MX_592	0.834997296
Account 593	MX_593	0.948548179
Account 594	MX_594	0.97860305
Account 595	MX_595	0.961904078
Account 596	MX_596	0.958768995
Account 597	MX_597	0.962274571
Account 598	MX_598	0.934747194
O&M Accounts 581-589	OX_DIST	0.93395568
O&M Accounts 591-598	MX_DIST	0.943041119
Salaries & Wages Accounts 581-589	SALWAGDO	0.93395568
Salaries & Wages Accounts 591-598	SALWAGDM	0.943041119
Account 902	OX_902	0.961156408
Account 903	OX_903	0.961156408
Account 904	OX_904	0.968257521
O&M Accounts 902-905	OX_CA	0.962480685
Salaries & Wages Accounts 902-905	SALWAGCA	0.962480685
Account908	OX_908	0.961156408
Account909	OX_909	0.961156408
Account910	OX_910	0.961156408

Public Attachment MCC-1

O&M Accounts 908-910	OX_CS	0.961156408
Salaries & Wages Accounts 908-910	SALWAGCS	0.961156408
Salaries & Wages Excluding Admin & Gen	SALWAGXAG	0.916733528
Total Salaries and Wages Expense	SALWAGES	0.916733528

REVENUES AND BILLING DETERMINANTS

Base Rate Sales Revenue	SALESREV	0.920645789
South Dakota	SREVSD	1
Wyoming	SREWWY	0
Montana	SREVMT	0
Claimed Rate Sales Revenue	CLAIMREV	0.91410676

PRESENT REVENUES FROM SALES INPUT

Total Sales of Electricity Revenues		0.920645789
Sales of Electricity Revenues		0.920645789

ALLOCATED DIRECT ASSIGNMENTS  
DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS

Write-Offs - Test Period		
South Dakota	SREVSD	406612
Wyoming	SREWWY	0
Montana	SREVMT	0
Total Write-Offs	EXP_904	406612
Total Write-Offs	EXP_904	0.968257521
Construction Advances		
South Dakota	DPLTSD	0.994
Wyoming	DPLTWY	0
Montana	DPLTMT	0
Customer Advances for Construction	CUSTADV	0.994

Public Attachment MCC-1

Line	Description	1/28/2014 Payroll	Percent of Total	Total Company Wages & Salaries Adjustment	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Operation and Maintenance:</b>							
<u>Production Expense</u>							
1	Account 500	\$ 19,360	4.00%	\$ 62,340	SALWAGPO	89.83%	\$ 56,000
2	Account 501	14,956	3.09%	48,158	ENEFUEL	87.64%	42,204
3	Account 502	49,582	10.25%	159,656	DPROD	89.83%	143,420
4	Account 505	17,289	3.58%	55,673	DPROD	89.83%	50,011
5	Account 506	26,127	5.40%	84,132	DPROD	89.83%	75,576
6	Account 510	42,403	8.77%	136,541	SALWAGPM	89.83%	122,655
7	Account 511	8,671	1.79%	27,922	DPROD	89.83%	25,082
8	Account 512	26,786	5.54%	86,254	DPROD	89.83%	77,482
9	Account 513	5,350	1.11%	17,228	DPROD	89.83%	15,474
10	Account 514	1,450	0.30%	4,670	DPROD	89.83%	4,195
11	Account 546	2,900	0.80%	9,339	SALWAGPO	89.83%	8,389
12	Account 548	12,144	2.51%	39,105	DPROD	89.83%	35,128
13	Account 551	1,832	0.38%	5,898	SALWAGPM	89.83%	5,296
14	Account 553	8,441	1.75%	27,182	DPROD	89.83%	24,418
15	Account 554	1,875	0.35%	5,394	DPROD	89.83%	4,845
16	Total Production Expense	\$ 236,988	49.42%	\$ 766,480			\$ 690,177
<u>Transmission Expense</u>							
17	Account 560	\$ 1,080	0.22%	\$ 3,479	SALWAGTO	90.97%	\$ 3,165
18	Account 561	1,663	0.34%	5,354	TRANPLT	90.97%	4,871
19	Account 562	4,659	0.96%	15,001	TRANPLT	90.97%	13,647
20	Account 563	759	0.16%	2,443	TRANPLT	90.97%	2,222
21	Account 566	1,893	0.39%	6,095	TRANPLT	90.97%	5,545
22	Account 570	1,836	0.38%	5,911	TRANPLT	90.97%	5,377
23	Account 571	303	0.06%	976	TRANPLT	90.97%	888
24	Total Transmission Expense	\$ 12,192	2.52%	\$ 39,259			\$ 35,715
<u>Distribution Expense</u>							
25	Account 580	\$ 19,310	3.99%	\$ 62,179	SALWAGDO	93.40%	\$ 58,072
26	Account 581	556	0.11%	1,780	DISTPLT	93.47%	1,673
27	Account 582	16,191	3.35%	52,136	PLT_362	83.50%	43,533
28	Account 583	10,336	2.14%	33,284	OHDIST	94.85%	31,571
29	Account 584	1,813	0.40%	6,161	UGDIST	97.86%	6,029
30	Account 586	12,002	2.46%	38,648	CMETERS	96.23%	37,190
31	Account 588	10,060	2.06%	32,394	DISTPLT	93.47%	30,280
32	Account 592	11,323	2.34%	36,461	PLT_362	83.50%	30,445
33	Account 593	20,929	4.33%	67,392	OHDIST	94.85%	63,925
34	Account 594	2,708	0.56%	8,721	UGDIST	97.86%	8,534
35	Account 595	1,117	0.23%	3,596	PLT_368	96.19%	3,459
36	Account 596	414	0.09%	1,333	PLT_3713	95.88%	1,278
37	Account 597	2,622	0.54%	8,443	CMETERS	96.23%	8,124
38	Account 598	2,841	0.59%	9,149	DISTPLT	93.47%	8,551
39	Total Distribution Expense	\$ 112,322	23.23%	\$ 361,686			\$ 332,664
<u>Customer Accounting Expense</u>							
40	Account 902	\$ 287	0.06%	\$ 924	CMETERDG	96.12%	\$ 888
41	Account 903	17,751	3.67%	57,159	CUSTREC	96.12%	54,839
42	Account 905	6,516	1.35%	20,882	CUSTCAM	96.12%	20,167
43	Total Customer Accounting Expense	\$ 24,554	5.08%	\$ 79,065			\$ 75,994
<u>Customer Service Expense</u>							
44	Account 907	\$ 502	0.10%	\$ 1,618	SALWAGCS	96.12%	\$ 1,555
45	Account 908	14,456	2.99%	46,550	CUSTASST	96.12%	44,742
46	Account 910	134	0.03%	432	CUSTCSM	96.12%	415
47	Total Customer Service Expense	\$ 15,093	3.12%	\$ 48,600			\$ 46,712
<u>Administrative and General Expense</u>							
48	Account 920	\$ 80,134	16.57%	\$ 258,036	SALWAGES	91.67%	\$ 236,550
49	Account 930	304	0.06%	977	SALWAGES	91.67%	898
50	Total Administrative and General Expense	\$ 80,437	16.63%	\$ 259,013			\$ 237,446
51	<b>Total Operation and Maintenance</b>	<b>\$ 483,567</b>	<b>100.00%</b>	<b>\$ 1,557,116</b>			<b>\$ 1,418,708</b>
52	FICA Tax Rate						7.65%
53	Adjustment to FICA Tax						\$ 108,531
54	Estimated Blended Tax Rate						0.35%
55	Adjustment to Unemployment Tax						\$ 4,965
56	Adjustment to Federal Unemployment Tax						\$ 2,483
57	Adjustment to State Unemployment Tax						\$ 2,483
58	Rate Base Adjustment			\$ 85,772	SALWAGES	0.916733528	\$ 78,630

Sources:

Column b, lines 1-15, 17-23, 25-28, 40-42, 44-46, 48-49: BHP Response to Staff DR 1-1, BHP SD Payroll Adjustment workpaper.xls  
Columns b, d, & g, line 16: sum of lines 1 through 15  
Columns b, d, & g, line 24: sum of lines 17 through 23  
Columns b, d, & g, line 39: sum of lines 25 through 38  
Columns b, d, & g, line 43: sum of lines 40 through 42  
Columns b, d, & g, line 47: sum of lines 44 through 46  
Columns b, d, & g, line 50: sum of lines 48 & 49  
Column b, c, & g, line 51: sum of lines 16, 24, 39, 43, 47, & 50  
Column c, lines 1-50: column b divided by column b, line 51  
Column d, lines 1-15, 17-23, 25-28, 40-42, 44-46, 48-49: column c \* column d, line 51  
Column d, line 51: BAM-3 Sch 1, page 2, column b, line 23  
Column d, line 58: BAM-3 Sch 1, page 2, column b, line 25  
Columns e & f: Schedule N-1  
Column g, lines 1-15, 17-23, 25-28, 40-42, 44-46, 48-49, 58: column d & column f  
Column g, line 52: Schedule L-1, line 3  
Column g, line 53: line 51 \* line 52  
Column g, line 54: Schedule L-1, line 10  
Column g, line 55: line 51 \* line 54  
Column g, lines 56 & 57: line 55 divided by 2

Line	Description	Amount
	(a)	(b)
<b><u>Operations &amp; Maintenance Adjustment</u></b>		
1	Union Annualized Payroll January 28, 2014 less NSC Alloc H-17	\$ 6,655,506
2	Adjust for Neil Simpson I Labor Costs	(746,475)
3	Union Annualized Payroll less Neil Simpson I Labor Costs	<u>\$ 5,909,031</u>
4	2014 Union Wage Increase Percent	3.25%
5	2014 Union Wage Increase	192,044
6	Union Payroll including 2014 Wage Increase	<u>6,101,075</u>
7	2015 Union Wage Increase Percent	3.25%
8	2015 Union Wage Increase	198,285
9	Adjusted Union Payroll	<u>\$ 6,299,360</u>
10	Non-Union Annualized Payroll January 28, 2014	5,723,730
11	2014 Non-Union Wage Increase Percent	3.25%
12	2014 Non-Union Wage Increase	186,021
13	2015 Non-Union Wage Increase Percent	3.00%
14	2015 Non-Union Wage Increase	177,293
15	Add-in 2 Customer Service Reps from test year	77,316
16	Adjusted Non-Union Payroll	<u>\$ 6,164,360</u>
17	<b>Total Adjusted Payroll</b>	<b><u>\$ 12,463,720</u></b>
18	Total Employee Additions (O&M)	\$ 797,555
19	Total Employee Eliminations	103,397
20	Net Employee Additions and Eliminations	<u>\$ 694,158</u>
21	Benefits @ 65%	451,203
22	<b>Total Employee Additions and Eliminations including Benefits</b>	<b><u>\$ 1,145,361</u></b>
23	Total Pro Forma Payroll Expense	\$ 13,609,081
24	Test Year Payroll Expense less NSC Alloc H-17	12,051,965
25	<b>Wages &amp; Salary O&amp;M Adjustment (Total Company)</b>	<b><u>\$ 1,557,116</u></b>
<b><u>Rate Base Adjustment</u></b>		
26	Total Employee Additions (Capital)	\$ 171,543
27	<b>Wages &amp; Salary Rate Base Adjustment (Total Company)</b>	<b><u>\$ 85,772</u></b>

**Sources:**

Column b, line 1: BHP Response to Staff DR 1-1, BHP SD Payroll Adjustment workpaper.xls  
Column b, line 2: Schedule H-1, line 3  
Column b, line 3: line 1 + line 2  
Column b, line 4: BHP Response to Staff DR 2-5  
Column b, line 5: line 3 \* line 4  
Column b, line 6: line 3 + line 5  
Column b, line 7: Email from Jon Thurber on 10/02/14  
Column b, line 8: line 6 \* line 7  
Column b, line 9: line 6 + line 8  
Column b, line 10: BHP Response to Staff DR 1-1, BHP SD Payroll Adjustment workpaper.xls  
Column b, line 11: BHP Response to Staff DR 4-7  
Column b, line 12: line 10 \* line 11  
Column b, line 13: BHP Supplemental Response to Staff DR 2-8, Attachment 2-8F  
Column b, line 14: (line 10 + line 12) \* line 13  
Column b, line 15: BHP Response to Staff DR 1-1, BHP SD Payroll Adjustment workpaper.xls  
Column b, line 16: sum of lines 10, 12, 14, & 15  
Column b, line 17: line 9 + line 16  
Column b, line 18: BAM-3 Sch 1, page 3, column f, line 20  
Column b, line 19: BAM-3 Sch 1, page 3, column b, line 23  
Column b, line 20: line 18 less line 19  
Column b, line 21: line 20 \* 65%  
Column b, line 22: line 20 + line 21  
Column b, line 23: line 17 + line 22  
Column b, line 24: BHP Response to Staff DR 1-1, BHP SD Payroll Adjustment workpaper.xls  
Column b, line 25: line 23 less line 24  
Column b, line 26: BAM-3 Sch 1, page 3, column g, line 20  
Column b, line 27: line 26 divided by 2

Line	Description	Amount (b)	2015 Wage Increase (c)	Adjusted Amount (d)	% O&M (e)	Amount O&M (f)	Amount Capital (g)
<u>Employee Additions (BHP Portion)</u>		***Begin Confidential***					
1	System Protection Engineer						
2	Reliability Engineer						
3	Energy Services Rep						
4	Instrument Tech II						
5	Instrument Tech II						
6	Process Chemistry Tech						
7	Lead Customer Service Rep						
8	Generation Operations Trainer						
9	Plant Maintenance Operator						
10	Plant Maintenance Operator						
11	Mobile Communications Tech						
12	Business Analyst						
13	Lead Line Mechanic						
14	Drafting/Document Control Tech						
15	Distributed Control System/Continuous Emissions Monitoring System Specialist						
16	Admin Asst						
17	Construction Rep						
18	Program Manager, Customer Operations						
19	Sr. Manager of Customer Operations & Energy Services						
		***End Confidential***					
20	Total Employee Additions	\$ 940,523		\$ 969,098		\$ 797,555	\$ 171,543
<u>Employee Eliminations (BHP Portion)</u>		***Begin Confidential***					
21	Cashier/Switchboard Operator						
22	Electrician Thereafter						
		***End Confidential***					
23	Total Employee Eliminations	\$ 103,397					

**Sources:**

Line 20: sum of lines 1 through 19  
Column b, lines 1-11, 13, 14, 16, and 17: Email from Jon Thurber on 9/10/14  
Column b, line 12: Email from Jon Thurber on 9/10/14 and DR 5-12  
Column b, line 15: Emails from Jon Thurber on 9/10/14 & 10/01/14  
Column b, lines 18 & 19: Email from Jon Thurber on 9/11/14  
Column b, lines 21 & 22: BHP Response to Staff DR 1-1, BHP SD Payroll Adjustment workpaper.xls  
Column b, line 23: sum of lines 21 & 22  
Column c, lines 1-19: BAM-3 Sch 1, page 2, lines 7 & 13  
Column d, lines 1-19: column b + (column b \* column c)  
Column e: Email from Jon Thurber on 10/02/14  
Column f, lines 1-19: column d \* column e  
Column g, lines 1-19: column d less column f

<u>Line</u>	<u>Description</u>	<u>Amount</u>
	(a)	(b)
1	Investment To Be Financed (Average Rate Base)	\$ 543,925,179
2	Weighted Cost of Long Term Debt	2.860%
3	Synchronized Interest Expense	15,556,260
4	Less South Dakota Interest Expense on LT Debt as filed	17,582,508
5	Difference in Interest Expense	(2,026,248)
6	Federal Income Tax Adjustment (35%)	<b>\$ 709,187</b>

**SOURCES:**

Column b, line 1: BAM-2 Sch 1, column d, line 37  
Column b, line 2: BLC-1 Sch 1 column d, line 1  
Column b, line 3: Line 1 \* line 2  
Column b, line 4: - Statement N, page 18, column d, line 14  
Column b, line 5: Line 3 less line 4  
Column b, line 6: - line 5 times consolidated effective tax rate (35%)

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
<b>Production Expense:</b>					
1	Coal Expense (Account 501.3)	\$ (717,714)	ENEFUEL	87.64%	\$ (628,982)
2	Other Fuel Expense (Account 547)	(863,979)	ENEFUEL	87.64%	(757,164)
3	Purchased Power Expense (Account 555)	(25,231,082)	ENERGY1	87.64%	(22,111,722)
4	Labor - Bonus (Account 556)	(223,765)	DPROD	89.83%	(201,009)
5	<b>Total Production Expense</b>	<b>\$ (27,036,540)</b>			<b>\$ (23,698,877)</b>
<b>Transmission Expense:</b>					
6	Transmission Expense (Account 565)	(1,009,322)	TRANPLT	90.97%	(918,191)
7	<b>Total Transmission Expense</b>				<b>\$ (918,191)</b>
8	<b>Total Power Marketing Operating Expense Adjustment</b>				<b>\$ (24,617,068)</b>

**SOURCES:**

Line 5: sum of lines 1-4  
Line 7: line 6  
Line 8: sum of lines 5 & 7  
Column b, lines 1-3, 6: Schedule H-12  
Column b, line 4: Email from Jon Thurber on 5/18/14  
Column c, line 1: Schedule N-1, page 12, line 9  
Column c, line 2: Schedule N-1, page 12, line 29  
Column c, line 3: Schedule N-1, page 13, line 53  
Column c, line 4: Schedule N-1, page 12, line 40  
Column c, line 6: Schedule N-1, page 13, line 67  
Column d, lines 1 & 2: Schedule N-1, page 28, line 50  
Column d, line 3: Schedule N-1, page 28, line 51  
Column d, line 4: Schedule N-1, page 27, line 5  
Column d, line 6: Schedule N-1, page 29, line 102

Line	Description	Per Books Plant In Service	Staff Plant Adjustments	Staff Proforma Plant In Service	Leas: Non-Depreciable Items	Proforma Depreciation Plant	Staff Proposed Depreciation Rates	Adjusted Depreciation Expense	CUS Depreciation Expense	Adjusted Depreciation Expense less CUS Depreciation	Per Books Depreciation Expense	Per Books Depreciation Expense less CUS Depreciation	Depreciation Adjustment	South Dakota Allocation Factor	South Dakota Percent	South Dakota Depreciation Expense Adjustment	South Dakota Accumulated Depreciation Adjustment
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	
1	Production																
2	Bon French	14,320,323	(14,320,323)	-	-	-	16.23%	-	-	-	488,104	488,104	(488,104)	PRODPLT	89.83%	(438,385)	(210,883)
3	Neil Simpson I	22,288,827	(22,288,827)	-	-	-	21.97%	-	-	-	777,784	777,784	(777,784)	PRODPLT	89.83%	(698,669)	(349,335)
4	Neil Simpson II	142,844,873	10,401,523	153,346,196	7,865	153,338,231	2.90%	4,446,809	-	4,446,809	3,505,549	3,505,549	941,280	PRODPLT	89.83%	845,538	422,770
5	Osage	18,141,890	(18,141,890)	-	-	-	12.07%	-	-	-	485,658	485,658	(485,658)	PRODPLT	89.83%	(416,303)	(208,152)
6	Wygen III	131,016,345	4,032,809	135,052,154	-	135,052,154	2.64%	3,565,377	-	3,565,377	3,078,869	3,078,869	488,508	PRODPLT	89.83%	437,033	218,517
7	Wyciek	108,138,638	1,133,098	110,269,727	100,191	110,169,538	2.86%	3,150,591	-	3,150,591	3,313,428	3,313,428	(162,837)	PRODPLT	89.83%	(148,277)	(73,138)
8	CPGS	90,108,289	90,108,289	90,108,289	-	90,108,289	2.88%	2,685,227	-	2,685,227	-	-	2,685,227	PRODPLT	89.83%	2,412,153	1,208,077
9	Other Production	80,486,327	3,058,795	83,545,122	2,705	83,542,417	2.50%	2,088,560	-	2,088,560	1,758,016	1,758,016	332,544	PRODPLT	89.83%	286,728	148,383
10	<b>Total Production Plant</b>	<b>\$ 518,336,024</b>	<b>\$ 53,985,464</b>	<b>\$ 572,321,488</b>	<b>\$ 116,861</b>	<b>\$ 572,204,627</b>		<b>\$15,938,564</b>	<b>\$ -</b>	<b>\$ 15,938,564</b>	<b>\$13,386,388</b>	<b>\$ 13,386,388</b>	<b>\$ 2,550,176</b>			<b>\$ 2,290,837</b>	<b>\$ 1,145,418</b>
11	Transmission	115,033,899	-	115,033,899	5,745,930	109,287,969	2.28%	2,489,908	2,375,704	94,204	2,386,230	20,528	73,678	TRANPLT	80.97%	87,028	33,513
12	Distribution																
13	Land & Land Rights	2,108,585	-	2,108,585	2,108,585	-	2.70%	-	-	-	-	-	-	PLT_300	95.99%	-	-
14	Structures & Improvements	708,881	-	708,881	708,881	-	2.70%	19,138	-	19,138	18,577	18,577	(438)	PLT_301	96.86%	(438)	(217)
15	Station Equipment	71,850,894	-	71,850,894	71,850,894	-	2.70%	1,934,577	193,832	1,740,745	1,878,857	1,785,225	(44,280)	PLT_302	83.90%	(38,874)	(18,487)
16	Poles, Towers & Fixtures	67,801,785	-	67,801,785	67,801,785	-	2.70%	1,830,848	-	1,830,848	1,872,550	1,872,550	(41,802)	PLT_304	84.66%	(38,865)	(19,833)
17	Overhead Conductors & Devices	41,782,614	-	41,782,614	41,782,614	-	2.70%	1,128,131	-	1,128,131	1,153,952	1,153,952	(25,821)	PLT_305	85.17%	(24,573)	(12,287)
18	Underground Conduit	4,081,983	-	4,081,983	4,081,983	-	2.70%	110,214	-	110,214	112,738	112,738	(2,522)	PLT_306	98.16%	(2,475)	(1,238)
19	Underground Conductors & Devices	38,861,789	-	38,861,789	38,861,789	-	2.70%	1,070,886	-	1,070,886	1,095,379	1,095,379	(24,511)	PLT_307	97.83%	(23,879)	(11,860)
20	Line Transformers	35,013,434	-	35,013,434	35,013,434	-	2.70%	945,353	-	945,353	967,001	967,001	(21,638)	PLT_308	96.19%	(20,814)	(10,407)
21	Services	29,259,738	-	29,259,738	29,259,738	-	2.70%	790,013	-	790,013	808,085	808,085	(18,082)	PLT_309	97.60%	(17,647)	(8,824)
22	Meters	8,989,275	-	8,989,275	8,989,275	-	2.70%	188,710	-	188,710	193,030	193,030	(4,320)	PLT_370	85.72%	(4,135)	(2,088)
23	Installation on Customer Premises	2,177,388	-	2,177,388	2,177,388	-	2.70%	58,790	-	58,790	60,135	60,135	(1,345)	PLT_371	86.07%	(1,292)	(646)
24	Street Lighting & Signal Systems	1,726,403	-	1,726,403	1,726,403	-	2.70%	46,813	-	46,813	47,880	47,880	(1,067)	PLT_373	85.83%	(1,020)	(510)
25	Completed Construction not Classified	4,234,157	5,088,240	9,322,397	9,322,397	-	2.70%	251,705	-	251,705	116,639	116,639	134,788	DISTRPLT	83.47%	125,972	52,988
26	Plant Additions	19,303,854	-	19,303,854	19,303,854	-	2.70%	521,207	-	521,207	-	-	521,207	DIRECT	100.00%	521,207	280,804
27	<b>Total Distribution</b>	<b>307,195,011</b>	<b>24,382,194</b>	<b>331,587,205</b>	<b>2,108,585</b>	<b>329,480,620</b>		<b>8,895,978</b>	<b>193,832</b>	<b>8,702,346</b>	<b>8,428,931</b>	<b>8,232,289</b>	<b>470,047</b>			<b>474,172</b>	<b>237,083</b>
28	General	44,490,207	9,788,782	54,278,989	1,603,243	52,675,746	4.62%	1,738,837	274,733	1,464,064	1,701,148	1,426,415	37,489	GENLPLT	81.81%	34,418	17,208
29	Other Utility Plant	28,339,382	2,122,026	30,461,408	-	28,461,408	7.65%	2,177,286	-	2,177,286	2,000,183	2,000,183	177,135	SALWAGES	81.67%	182,388	81,193
30	Subtotal Plant In Service	\$ 1,011,394,523	\$ 90,288,466	\$ 1,101,682,989	\$ 9,575,618	\$ 1,092,107,370		\$31,218,385	\$ 2,844,089	\$ 28,374,316	\$27,809,860	\$ 25,085,791	\$ 3,308,525			\$ 3,028,839	\$ 1,514,418
31	Plant Acquisition Adjustment	4,870,308	-	4,870,308	-	4,870,308	2.00%	97,408	-	97,408	97,408	97,408	-	SALWAGES	81.67%	-	-
32	<b>Total Plant In Service</b>	<b>\$ 1,016,264,831</b>	<b>\$ 90,288,466</b>	<b>\$ 1,106,553,297</b>	<b>\$ 9,575,618</b>	<b>\$ 1,096,977,678</b>		<b>\$31,315,791</b>	<b>\$ 2,844,089</b>	<b>\$ 28,471,722</b>	<b>\$28,007,268</b>	<b>\$ 25,183,197</b>	<b>\$ 3,308,525</b>			<b>\$ 3,028,839</b>	<b>\$ 1,514,418</b>

Sources:

Line 10: sum of lines 2-9  
 Line 27: sum of lines 13-28  
 Line 30: sum of lines 10, 11, 27, 28, 29  
 Line 32: sum of lines 30 & 31  
 Column b, lines 2 through 7: Schedule D-3, part 2, page 3-4  
 Column b, line 8: Statement D, page 2, column a, line 3 + line 17  
 Column b, line 11: Statement D, page 2, column a, line 6 + line 18  
 Column b, lines 12 through 28: Statement N, page 5, column c, lines 50-77  
 Column b, line 28: Statement D, page 2, column a, line 10 + line 20  
 Column b, line 29: Statement D, page 2, column a, line 12  
 Column b, line 31: Statement D, page 2, column a, line 2  
 Column c, line 2: - Schedule D-3, part 2, page 3, column n, line 11  
 Column c, line 3: BAM-3 Sch 6, page 1, column b, line 3 + - Schedule D-3, part 2, page 3, column n, line 21 + - BAM-3 Sch 6, page 1, column b, line 3  
 Column c, line 4: BAM-3 Sch 6, page 1, column b, line 4 + BAM-3 Sch 5, page 1, column b, line 3  
 Column c, line 5: - Schedule D-3, part 2, page 3, column m, line 41  
 Column c, line 6: BAM-3 Sch 6, page 1, column b, line 5 + BAM-3 Sch 5, page 1, column b, line 4  
 Column c, line 7: BAM-3 Sch 6, page 1, column b, line 6 + BAM-3 Sch 5, page 1, column b, line 5  
 Column c, line 8: BAM-3 Sch 7, column d, line 19  
 Column c, line 9: BAM-3 Sch 6, page 1, column b, line 7 + BAM-3 Sch 5, page 1, column b, line 6  
 Column c, line 25: BAM-3 Sch 6, page 1, column b, line 8

Column c, line 28: BAM-3 Sch 5, page 1, column b, line 7  
 Column c, line 28: BAM-3 Sch 6, page 1, column b, line 9 + BAM-3 Sch 5, page 1, column b, line 8  
 Column c, line 29: BAM-3 Sch 5, page 1, column b, line 9  
 Column d, lines 2-9, 11, 13-28, 29, 31: sum of columns b & c  
 Column e, lines 2-9, 11, 13, 28, 29, 31: Statement J, column b  
 Column f, lines 2-9, 11, 13-28, 28, 29, 31: column d - column e  
 Column g, lines 2-7, 9, 11, 13-26, 28, 29, 31: Statement J, column d  
 Column g, line 8: Staff Witness Dave Peterson Recommendation  
 Column h, lines 2-9, 11, 13-28, 29, 31: column f \* column g  
 Column h, line 28: column f \* column g less \$994,890 fleet capitalization per St. J  
 Column i, lines 11, 15, & 28: Email from Jon Thurber on 9/21/14  
 Column j, lines 2-9, 11, 13-28, 28, 29, 31: column h less column i  
 Column k, lines 2-9, 11, 28, 29, 31: Statement J, column f  
 Column k, lines 13-28: Statement N, page 16, column c, lines 8-21  
 Column l, lines 2-9, 11, 13-28, 28, 29, 31: Column k less column i  
 Column m, lines 2-9, 11, 13-28, 28, 29, 31: Column l less column i  
 Column n: Schedule N-1, page 18  
 Column o, lines 2-9, 11, 13-25, 28: Schedule N-1, page 29  
 Column o, lines 29 & 31: Schedule N-1, page 31  
 Column p, lines 2-9, 11, 13-28, 28, 29, 31: Column m \* column o  
 Column q, lines 2-9, 11, 13-28, 28, 29, 31: Column p divided by 2

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
1	Plant in Service				
2	Steam Production				
3	Neil Simpson II	\$ 9,916,018	DPROD	89.83%	\$ 8,907,609
4	Wygen III	2,990,571	DPROD	89.83%	2,686,445
5	Wyodak	312,088	DPROD	89.83%	280,350
6	Other Production	2,022,876	DPROD	89.83%	1,817,160
7	Distribution	19,303,954	DIRECT	100.00%	19,303,954
8	General Plant	7,263,242	SALWAGES	91.67%	6,658,457
9	Other Utility Plant	2,122,026	SALWAGES	91.67%	1,945,332
10	Total Plant Additions	<u>\$ 43,930,775</u>			<u>\$ 41,599,307</u>
11					
12	Accumulated Deferred Income Taxes				
13	Steam Production	\$ 51,173			
14	Other Production	18,115			
15	Distribution	70,942			
16	General Plant	(22,117)			
17	Other Utility Plant	(4,608)			
18	Total Accumulated Deferred Income Taxes	<u>\$ 113,505</u>	TOTPLT	91.20%	<u>\$ 103,518</u>

**Sources:**

Column b, line 3: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Sched D-10 Generation tab, sum of lines 10-22, 24-35, 40, & 41 less \$114,979 associated with CPGS per email from Jon Thurber on 10/14/14  
Column b, line 4: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Sched D-10 Generation tab, sum of lines 1-8 & 38 plus Email from Jon Thurber on 11/06/14, DR 2-16 10.1.14 - 11.6.14 Capital Additions, lines 46, 48, & 54  
Column b, line 5: BHP supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Sched D-10 Generation tab, sum of lines 9 & 37  
Column b, line 6: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Sched D-10 Generation tab, sum of lines 23 & 39 plus Email from Jon Thurber on 11/06/14, DR 2-16 10.1.14 - 11.6.14 Capital Additions, lines 50, 56-62  
Column b, line 7: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Sched D-10 as Filed Non GEN tab, sum of lines 90, 120, & 137 plus Email from Jon Thurber on 11/06/14, DR 2-16 10.1.14 - 11.6.14 Capital Additions, lines 11-29  
Column b, line 8: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Sched D-10 as Filed Non GEN tab, line 172 plus Email from Jon Thurber on 11/06/14, DR 2-16 10.1.14 - 11.6.14 Capital Additions, lines 32-41  
Column b, line 9: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Sched D-10 as Filed Non GEN tab, line 184  
Column b, line 10: sum of lines 3-9  
Column b, line 13: BAM-3 Sch 5, page 2, column i, line 9  
Column b, line 14: BAM-3 Sch 5, page 2, column i, line 14  
Column b, line 15: BAM-3 Sch 5, page 2, column i, line 16  
Column b, line 16: BAM-3 Sch 5, page 2, column i, line 18  
Column b, line 17: BAM-3 Sch 5, page 2, column i, line 23  
Column b, line 18: sum of lines 13-17  
Column c, lines 3-5: Schedule N-1, page 4, column b, line 15  
Column c, line 6: Schedule N-1, page 4, column b, line 27  
Column c, line 7: Schedule N-1, page 5, column b, line 77  
Column c, line 8: Schedule N-1, page 6, column b, line 108  
Column c, line 9: Schedule N-1, page 6, column b, line 111  
Column c, line 18: Schedule N-1, page 8, column b, line 20  
Column d, lines 3-6: Schedule N-1, page 27, column d, line 5  
Column d, lines 8 & 9: Schedule N-1, page 31, column d, line 224  
Column d, line 18: Schedule N-1, page 29, column d, line 100  
Column e, lines 3-9, 13-17: column b \* column d  
Column e, line 10: sum of lines 3-9  
Column e, line 18: sum of lines 13-17

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Line	Description	Plant In-Service	Depreciation Rate	Depreciation Expense	1st Year Tax Depreciation Rate	Tax Depreciation	Difference	Tax Rate	Deferred Tax
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b>Steam Production - by Plant</b>								
2	Neil Simpson II								
3	2013 Additions	\$ 43,125	2.90%	\$ 1,251	51.88%	\$ 22,373	\$ 21,122	35.00%	\$ 7,393
4	2014 Additions	9,872,893	2.90%	286,314	3.75%	370,233	83,919	35.00%	29,372
5	Wygen III								
6	2013 Additions	10,785	2.64%	285	51.88%	5,595	5,310	35.00%	1,859
7	2014 Additions	2,979,786	2.64%	78,666	3.75%	111,742	33,076	35.00%	11,577
8	Wyodak	312,088	2.86%	8,926	3.75%	11,703	2,777	35.00%	972
9	Total Steam Production	\$ 13,218,677		\$ 375,442		\$ 521,646	\$ 146,204		\$ 51,173
10									
11	<b>Other Production</b>								
12	2013 Additions	55,001	2.50%	1,375	51.88%	28,535	27,160	35.00%	9,506
13	2014 Additions	1,967,875	2.50%	49,197	3.75%	73,795	24,598	35.00%	8,609
14	Total Other Production	\$ 2,022,876		\$ 50,572		\$ 102,330	\$ 51,758		\$ 18,115
15									
16	<b>Distribution</b>	\$ 19,303,954	2.70%	\$ 521,207	3.75%	\$ 723,898	\$ 202,691	35.00%	\$ 70,942
17									
18	<b>General</b>	\$ 7,263,242	4.62%	\$ 335,562	3.75%	\$ 272,372	\$ (63,190)	35.00%	\$ (22,117)
19									
20	<b>Other Utility Plant</b>								
21	2013 Additions	\$ 144,598	7.65%	\$ 11,062	51.88%	\$ 75,017	\$ 63,955	35.00%	\$ 22,384
22	2014 Additions	1,977,428	7.65%	151,273	3.75%	74,154	(77,119)	35.00%	(26,992)
23	Total Other Utility Plant	\$ 2,122,026		\$ 162,335		\$ 149,171	\$ (13,164)		\$ (4,608)
24									
25	<b>Total Plant In Service</b>	<u>\$ 43,930,775</u>		<u>\$ 1,445,118</u>		<u>\$ 1,769,417</u>	<u>\$ 324,299</u>		<u>\$ 113,505</u>

**Sources:**

- Line 9: sum of lines 3, 4, 6-8
- Line 14: sum of lines 12 & 13
- Line 23: sum of lines 21 & 22
- Line 25: sum of lines 9, 14, 16, 18, & 23
- Column b, line 3: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Generation<100,000 tab, line 5
- Column b, line 4: BAM-3 Sch 5, page 1, column b, line 3 less line 3
- Column b, line 6: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Generation<100,000 tab, line 34
- Column b, line 7: BAM-3 Sch 5, page 1, column b, line 4 less line 6
- Column b, line 8: BAM-3 Sch 5, page 1, column b, line 5
- Column b, line 12: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 10.10.14, Generation<100,000 tab, line 46
- Column b, line 13: BAM-3 Sch 5, page 1, column b, line 6 less line 12
- Column b, line 16: BAM-3 Sch 5, page 1, column b, line 7
- Column b, line 18: BAM-3 Sch 5, page 1, column b, line 8
- Column b, line 21: BHP Supplemental Response to Staff DR 2-16, Attachment 2-16 - Supplemental D-10 1-10.14, OtherUtility<\$100,000Detail tab, sum of lines 4, 7, 9, 10, 12, & 18
- Column b, line 22: BAM-3 Sch 5, page 1, column b, line 9 less line 21
- Column c: BAM-3 Sch 4
- Column d, lines 3, 4, 6-8, 12, 13, 16, 18, 21, & 22: column b \* column c
- Column e: Schedule M-2 & email from Jon Thurber on 10/23/14
- Column f, lines 3, 4, 6-8, 12, 13, 16, 18, 21, & 22: column b \* column e
- Column g, lines 3, 4, 6-8, 12, 13, 16, 18, 21, & 22: column f - column d
- Column h: effective tax rate
- Column i, lines 3, 4, 6-8, 12, 13, 16, 18, 21, & 22: column g \* column h

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
1	Plant in Service				
2	Steam Production				
3	Neil Simpson I	\$ 6,854	DPROD	89.83%	\$ 6,157
4	Neil Simpson II	485,505	DPROD	89.83%	436,132
5	Wygen III	1,042,238	DPROD	89.83%	936,248
6	Wyodak	821,000	DPROD	89.83%	737,508
7	Other Production	1,035,919	DPROD	89.83%	930,571
8	Distribution	5,088,240	DISTPLTXNC	93.14%	4,738,994
9	General Plant	2,523,540	SALWAGES	91.67%	2,313,414
10	Total Plant Additions	<u>\$ 11,003,296</u>			<u>\$ 10,099,024</u>
11					
12	Accumulated Deferred Income Taxes				
13	Steam Production	\$ 403,708	TOTPLT	91.20%	\$ 368,185
14	Other Production	179,038	TOTPLT	91.20%	163,284
15	Distribution	875,839	TOTPLT	91.20%	798,772
16	General Plant	417,419	TOTPLT	91.20%	380,690
17	Total Accumulated Deferred Income Taxes	<u>\$ 1,876,004</u>			<u>\$ 1,710,931</u>

**Sources:**

Line 10: sum of lines 3 through 9  
Line 17: sum of lines 13 through 16  
Column b, line 3: WP-4, column d, line 2  
Column b, line 4: WP-4, column d, line 3  
Column b, line 5: WP-4, column d, line 4  
Column b, line 6: WP-4, column d, line 5  
Column b, line 7: WP-4, column d, line 7  
Column b, line 8: \$5,203,942 (WP-4, column d, line 10) less \$24,382 \* 60% = \$14,629 (DR 4-1 Finish Deadwood BioFuel LE)  
less \$4,568 (DR 4-1 NH Drug) less \$380 (DR 4-2 BH Surgery Center Line Extension) less \$9,992 (DR 4-2 Pipeline Plastics)  
less \$10,654 (DR 4-2 Rocky Bluffs Line Extension) less \$6,736 (DR 2-15 & DR 4-3 Bill Collins Line Extension)  
less \$11,775 (DR 2-15 & DR 4-3 Jeremy Coil Laundramat) less \$40,596 (DR 4-3 Pennington County Courthouse New 911)  
less \$10,899 (DR 6-15 Century Link contribution) less \$5,473 (DR 6-23 Century Link contribution)  
Column b, line 9: WP-4, column d, line 12  
Column b, line 13: BAM-3 Sch 9, page 2, column i, line 6  
Column b, line 14: BAM-3 Sch 9, page 2, column i, line 8  
Column b, line 15: BAM-3 Sch 9, page 2, column i, line 10  
Column b, line 16: BAM-3 Sch 9, page 2, column i, line 12  
Column c, lines 3-6: Schedule N-1, page 4, column b, line 15  
Column c, line 7: Schedule N-1, page 4, column b, line 27  
Column c, line 8: Schedule N-1, page 5, column b, line 76  
Column c, line 9: Schedule N-1, page 6, column b, line 108  
Column c, lines 13-16: Schedule N-1, page 8, column b, line 20  
Column d, lines 3-7: Schedule N-1, page 27, column d, line 5  
Column d, line 8: Schedule N-1, page 29, column d, line 98  
Column d, line 9: Schedule N-1, page 31, column d, line 224  
Column d, lines 13-16: Schedule N-1, page 29, column d, line 100

Line	Description (a)	Plant In-Service (b)	Depreciation Rate (c)	Depreciation Expense (d)	1st Year Tax Depreciation Rate (e)	Tax Depreciation (f)	Difference (g)	Tax Rate (h)	Deferred Tax (i)
1	<b>Steam Production - by Plant</b>								
2	Neil Simpson II	485,505	2.90%	14,080	51.88%	251,880	237,800	35.00%	83,230
3	Wygen III	1,042,238	2.64%	27,515	51.88%	540,713	513,198	35.00%	179,619
4	Wyodak	821,000	2.86%	23,481	51.88%	425,935	402,454	35.00%	140,859
5	Total Steam Production	\$ 2,348,743		\$ 65,076		\$ 1,218,528	\$ 1,153,452		\$ 403,708
6									
7	<b>Other Production</b>	\$ 1,035,919	2.50%	\$ 25,898	51.88%	\$ 537,435	\$ 511,537	35.00%	179,038
8									
9	<b>Distribution</b>	\$ 5,088,240	2.70%	\$ 137,382	51.88%	\$ 2,639,779	\$ 2,502,397	35.00%	875,839
10									
11	<b>General</b>	\$ 2,523,540	4.62%	\$ 116,588	51.88%	\$ 1,309,213	\$ 1,192,625	35.00%	417,419
12									
13	<b>Total Plant in Service</b>	<u>10,996,442</u>		<u>\$ 344,944</u>		<u>\$ 5,704,955</u>	<u>\$ 5,360,011</u>		<u>\$ 1,876,004</u>

**Sources:**

Line 5: sum of lines 2 through 5  
Line 13: sum of lines 6, 8, 10, and 12  
Column b, line 2: BAM-3 Sch 9, page 1, column b, line 4  
Column b, line 3: BAM-3 Sch 9, page 1, column b, line 5  
Column b, line 4: BAM-3 Sch 9, page 1, column b, line 6  
Column b, line 7: BAM-3 Sch 9, page 1, column b, line 7  
Column b, line 9: BAM-3 Sch 9, page 1, column b, line 8  
Column b, line 11: BAM-3 Sch 9, page 1, column b, line 9  
Column c: BAM-3 Sch 4  
Column d, lines 2-4, 7, 9, 11: column b \* column c  
Column e: Schedule M-2  
Column f, lines 2-4, 7, 9, 11: column b \* column e  
Column g, lines 2-4, 7, 9, 11: column f - column d  
Column i, lines 2-4, 7, 9, 11: column g \* column h

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Line	Description	Total Amount (b)	BHP % Ownership (c)	Total BHP Amount (d)	Allocation Factor (e)	South Dakota Percent (f)	South Dakota Amount (g)
1	<b>Plant in Service</b>						
2							
3	Combined Cycle:						
4	Engineering	\$ 2,779,168	58%	\$ 1,611,917			
5	Project Administration	6,837,167	58%	3,965,557			
6	Equipment Procurement	75,199,633	58%	43,615,787			
7	Construction & Commissioning	22,707,924	58%	13,170,596			
8	Indirects	2,765,088	58%	1,603,751			
9	Total Combined Cycle Costs	\$ 110,288,980		\$ 63,967,608			
10							
11	Common:						
12	Engineering	2,069,527	42%	\$ 869,201			
13	Project Administration	803,035	42%	337,275			
14	Equipment Procurement	11,896,074	42%	4,996,351			
15	Construction & Commissioning	35,391,911	42%	14,864,603			
16	Indirects	12,079,169	42%	5,073,251			
17	Total Shared Asset Costs	62,239,716		\$ 26,140,681			
18							
19	<b>Total Plant in Service</b>	<b>\$ 172,528,696</b>		<b>\$ 90,108,289</b>	DPROD	89.83%	<b>\$ 80,944,734</b>
20							
21	<b>Accumulated Deferred Income Taxes</b>						
22	R&D (100% Tax Depreciation)			\$ 7,269,037			
23	2013 Expenditures (51.88% Tax Depreciation)			32,398,580			
24	2014 Expenditures (3.75% Tax Depreciation)			764,632			
25	Total Tax Depreciation			40,432,249			
26	Book Depreciation			2,685,227			
27	Difference			37,747,022			
28	Tax Rate			35%			
29	<b>Accumulated Deferred Income Tax</b>			<b>\$ 13,211,458</b>	TOTPLT	91.20%	<b>\$ 12,048,960</b>

**Sources:**

Column b, lines 4-8, 12-16: Email from Jon Thurber on 11/07/14  
Column b, line 9: sum of lines 4-8  
Column b, line 17: sum of lines 12-16  
Column b, line 19: sum of lines 9 and 17  
Column c: Schedule D-11  
Column d, lines 4-8, 12-16: column b \* column c  
Column d, line 9: sum of lines 4-8  
Column d, line 17: sum of lines 12-16  
Column d, line 19: sum of lines 9 and 17  
Column d, line 22: \$7,269,037 (email from Jon Thurber on 10/21/14) \* 100% (Schedule M-2)  
Column d, line 23: \$62,449,075 (email from Jon Thurber on 10/21/14) \* 51.88% (Schedule M-2)  
Column d, line 24: (column d, line 19 less \$7,269,037 less \$62,449,075) \* 3.75% (Schedule M-2)  
Column d, line 25: sum of lines 22-24  
Column d, line 26: BAM-3 Sch 4, column m, line 8  
Column d, line 27: line 25 less line 26  
Column d, line 28: Effective Tax Rate  
Column d, line 29: line 27 \* line 28  
Column e, line 19: Schedule N-1, page 4, column b, line 27  
Column e, line 29: Schedule N-1, page 8, column b, line 20  
Column f, line 19: Schedule N-1, page 27, column d, line 5  
Column f, line 29: Schedule N-1, page 29, column d, line 100  
Column g, lines 19 & 29: column d \* column f

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
1	<b>Other Production Operation</b>				
2	Operation Supervision and Engineering (Labor Only)	\$ 940,339			
3					
4	Generation Expenses				
5	Water Fees	239,615			
6	Chemicals/Water Treatment less reagent costs	36,392			
7	Lubricants	15,284			
8	Total Generation Expenses	\$ 291,291			
9					
10	Miscellaneous Expenses				
11	Building/Grounds Maintenance	24,184			
12	Training/development	20,153			
13	Vehicles	20,153			
14	Office Expenses	16,122			
15	Total Miscellaneous Expense	\$ 80,612			
16					
17	<b>Other Production Maintenance</b>				
18	Operation Supervision and Engineering (Maintenance Only)	\$ 354,290			
19					
20	Maintenance				
21	Air Pollution Controls	54,140			
22	Condenser/Condensate System	55,953			
23	Controls and Instrumentation - GT	82,894			
24	Demin System/Waste Water	15,802			
25	Electrical Systems	25,386			
26	Feed Water System	25,386			
27	Fire Systems	25,386			
28	Gas Turbine - Primary	534,807			
29	Steam Turbine	25,386			
30	Generator (Steam Turbine) - Support Systems	13,470			
31	HRSG	17,985			
32	Evap Cooler	3,255			
33	Misc. Equipment	59,062			
34	Environmental	94,551			
35	Utilities (Station Service)	25,386			
36	Permits	25,388			
37	Total Maintenance	\$ 1,084,237			
38					
39	<b>Total Production Operation and Maintenance</b>	<b>\$ 2,750,769</b>			
40					
41	<b>Allocation to FERC Accounts</b>				
42	Other Production Operation				
43	Account 546 (3.39%)	93,251	SALWAGPO	89.83%	83,768
44	Account 548 (3.03%)	83,348	DPROD	89.83%	74,872
45	Account 549 (36.34%)	999,629	DPROD	89.83%	897,972
46	Total Other Production Operation	\$ 1,176,228			\$ 1,056,612
47					
48	Other Production Maintenance				
49	Account 551 (0.23%)	6,327	SALWAGPM	89.83%	5,684
50	Account 552 (3.22%)	88,575	DPROD	89.83%	79,567
51	Account 553 (36.34%)	999,629	DPROD	89.83%	897,972
52	Account 554 (17.44%)	479,734	DPROD	89.83%	430,947
53	Total Other Production Maintenance	\$ 1,574,265			\$ 1,414,170
54					
55	<b>Total Production Expense</b>	<b>\$ 2,750,493</b>			<b>\$ 2,470,782</b>

**Sources:**

Line 46: sum of lines 43 through 45  
Line 53: sum of lines 49 through 52  
Line 55: sum of lines 46 & 53  
Columns a, lines 43-45, 49-52: BHP's response to Staff DR 3-35  
Column b, lines 2, 5, 7, 11-14, 18, 21-36: BHP's response to Staff DR 3-35  
Column b, line 6: \$67,092 (BHP's response to Staff DR 3-35) less \$30,700 (email from Jon Thurber on 9/17/14)  
Column b, line 8: sum of lines 5 through 7  
Column b, line 15: sum of lines 11 through 14  
Column b, line 37: sum of lines 21 through 36  
Column b, lines 43-45, 49-52: column b, line 39 \* percentage in column a  
Column c: Schedule N-1, page 12  
Column d: Schedule N-1, pages 27 & 30  
Column e, lines 43-45, 49-52: column b \* column d

Line	Description	Estimated Net Book Value as of 9/30/14 (a)	Estimated Decommissioning Costs (b)	Less: Contingencies (c)	Total Company Regulatory Asset (d)	Allocation Factor (e)	South Dakota Percent (f)	South Dakota Amount (g)
1	<b>Amortization Expense:</b>							
2	Ben French	\$ (535,108)	\$ 3,959,606	\$ 350,683	\$ 3,073,815			
3	Osage Units 1-3	(687,847)	3,951,736	348,772	2,915,117			
4	Neil Simpson	4,833,205	2,975,413	256,342	7,552,276			
5	Subtotal	##### ##	\$ 10,886,755	\$ 955,797	\$ 13,541,208			
6	Estimated Ben French, Osage, and Neil Simpson 1 Obsolete Inventory				2,806,322			
7	Total				\$ 16,347,530			
8								
9	Amortization Period (years)				10			
10	Annual Amortization Expense				\$ 1,634,753	PRODPLT	89.83%	\$ 1,468,507
11								
12	<b>Rate Base:</b>							
13	Average Unamortized Balance				\$ 13,895,401	PRODPLT	89.83%	\$ 12,482,309
14								
15	Accumulated Deferred Income Taxes							
16	Tax loss of retirement of plant assets				\$ 3,606,771			
17	Tax loss of obsolete inventory				2,806,322			
18	Book Depreciation							
19	Plant Related				541,538			
20	Decommissioning Costs				1,489,644			
21	Obsolete Inventory				420,948			
22	Total Book Depreciation				2,452,130			
23								
24	Difference				3,960,963			
25	Tax Rate				35%			
26	Accumulated Deferred Income Tax				\$ 1,386,337	TOTPLT	91.20%	\$ 1,264,351

**Sources:**

Line 5: sum of lines 2-4  
Line 7: sum of lines 5 & 6  
Column b, lines 2-4: Schedule J-2, column f  
Column c, lines 2-4: Schedule J-2, column g  
Column d, lines 2-4: BHP Response to Staff DR 3-23, Attachment 3-23 Decommissioning Budget  
Column e, lines 2-4: column b + column c - column d  
Column e, line 6: BHP Response to Staff DR 7-15  
Column e, line 9: Staff Recommendation  
Column e, line 10: line 7 divided by line 9  
Column e, line 13: line 7 less (1.5 \* line 10)  
Column e, lines 16 & 17: Email from Jon Thurber on 11/14/14  
Column e, line 19: column b, line 5 divided by column e, line 9 \* 1.5  
Column e, line 20: (column c, line 5 less column d, line 5) divided by column e, line 9 \* 1.5  
Column e, line 21: column e, line 6 divided by column e, line 9 \* 1.5  
Column e, line 22: sum of lines 19-21  
Column e, line 24: line 16 + line 17 - line 22  
Column e, line 26: line 24 \* line 25  
Column f, line 10: Schedule N-1, page 16, column b, line 3  
Column f, line 13: Schedule N-1, page 8, column b, line 15  
Column f, line 26: Schedule N-1, page 8, column b, line 20  
Column g, line 10: Schedule N-1, page 29, column d, line 101  
Column g, line 13: Schedule N-1, page 29, column d, line 101  
Column g, line 26: Schedule N-1, page 29, column d, line 100  
Column h, lines 10, 13, & 26: column e \* column g

Line	Description	South Dakota Regulatory Asset
	(a)	(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	Average 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%

<u>Line</u>	<u>Description</u>	<u>Amount</u>
	(a)	(b)
1	Equity AFUDC (net of depreciation)	\$ (404,311)
2	Federal Income Tax Rate	35.00%
3	Total Company Federal Income Tax Adjustment	<u>(141,509)</u>
4	TOTPLTCUS SD Allocation	81.276%
5	SD Federal Income Tax Adjustment	<u>(115,013)</u>
6	Tax Return True Up 2012 and DIT True Up	(1,116,039)
7	Tax effect of I/C Interest Expense	683,125
8	Remove: Non-Operating Income Tax Expense (Benefit)	(57,373)
9	Miscellaneous Tax Adjustment	<u>7,557</u>
10	Total Company Federal Income Tax Adjustment	<u>(482,730)</u>
11	TOTPLTCUS SD Allocation	81.276%
12	SD Federal Income Tax Adjustment	<u>(392,343)</u>
13	Total SD Federal Income Tax Adjustment	<u><u>(507,356)</u></u>

**Sources:**

Column b, lines 1, 6, 7, 8, & 9: Statement K, pages 1 & 2, column d  
Column b, line 2: effective tax rate  
Column b, line 3: line 1 \* line 2  
Column b, line 4: Schedule N-1  
Column b, line 5: line 3 \* line 4  
Column b, line 10: sum of lines 6-9  
Column b, line 11: Schedule N-1  
Column b, line 12: line 10 \* line 11  
Column b, line 13: line 5 + line 12

<u>Line</u>	<u>Component</u> (a)	<u>% of Total</u> (b)	<u>Cost</u> (c)	<u>Weighted Cost</u> (d)
1	Long Term Debt	47.00%	6.08%	2.86%
2	Common Equity	<u>53.00%</u>		<u>4.90%</u>
3	Total	100.00%		<u><u>7.76%</u></u>

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
1	Costs Related to Generation Dispatch and Scheduling				
2	Labor	\$ 1,553,886			
3	Labor Overhead	1,233,304			
4	Office and Facility	13,554			
5	IT Costs	4,720			
6	Outside Services	444,749			
7	Travel and Training	89,821			
8	Subscriptions	300			
9	Total Costs	<u>3,340,334</u>			
10					
11	Black Hills Power Plant Capacity (MW)	549.60			
12	Cheyenne Light Power Plant Capacity (MW)	257.00			
13	Black Hills/Colorado Electric Power Plant Capacity (MW)	444.00			
14	MDU, City of Gillette & Other Power Plant Capacity (MW)	97.80			
15	Total Capacity to be Managed (MW)	<u>1,348.40</u>			
16					
17	Black Hills Power Percent of Capacity	40.76%			
18					
19	Amount to be Charged to Black Hills Power	<u>\$ 1,361,501</u>			
20					
21	Black Hills Power Per Books Costs	\$ 1,371,247			
22					
23	Generation Dispatch and Scheduling Adjustment	<u>\$ (9,746)</u>	DPROD	89.831%	<u>\$ (8,755)</u>

**SOURCES:**

Column b, lines 2-8: Supplement to Staff DR 4-29  
Column b, line 9: sum of lines 2-8  
Column b, line 11: Schedule H-8, page 1, line 27 (changed Neil Simpson II from 91 MW to 90 MW per Staff DR 2-34)  
Column b, line 12: Schedule H-8, page 1, line 37  
Column b, line 13: Schedule H-8, page 2, line 51 (deleted 28.1 MW associated with Pueblo NG #5 and #6 per Staff DR 4-30)  
Column b, line 14: Schedule H-8, page 2, line 57  
Column b, line 15: sum of lines 11-14  
Column b, line 17: line 11 / line 15  
Column b, line 19: line 9 \* line 17  
Column b, line 21: Schedule H-8, line 71  
Column b, line 23: line 19 - line 21  
Column c, line 23: Schedule N-1, page 12, column b, line 40  
Column d, line 23: Schedule N-1, page 27, column d, line 5  
Column e, line 23: column b \* column d

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
1	Costs Related to Neil Simpson Complex Common Steam Facilities				
2	Labor and Benefits	\$ 2,245,120			
3	Materials	315,254			
4	Outside Services	858,509			
5	Travel	137,721			
6	Common Utilities	220,910			
7	Office Expenses	289,818			
8	Other	71,041			
9	Total Costs	4,138,373			
10					
11	Black Hills Power Plant Capacity (MW)	147.20			
12	Cheyenne Light Power Plant Capacity (MW)	95.00			
13	MDU, City of Gillette & Other Power Plant Capacity (MW)	142.80			
14	Total Capacity to be Managed (MW)	385.00			
15					
16	Black Hills Power Percent of Capacity	38.23%			
17					
18	Amount to be Charged to Black Hills Power	\$ 1,582,100			
19					
20	Black Hills Power Per Books Costs	\$ 1,528,006			
21					
22	<b>Common Steam Facilities Adjustment</b>	<b>\$ 54,094</b>	DPROD	89.831%	<b>\$ 48,593</b>

**SOURCES:**

Column b, line 2: Email from Jon Thurber on 10/14/14  
Column b, lines 3-8: Supplemental Response to Staff DR 2-42, Attachment 2-42 Neil Simpson Complex Common Steam  
Column b, line 9: sum of lines 2-8  
Column b, line 11: Schedule H-17, line 14 (changed Neil Simpson II from 91 MW to 90 MW per Staff DR 4-32)  
Column b, line 12: Schedule H-17, line 18  
Column b, line 13: Schedule H-17, line 23 (changed Wygen I from 85 MW to 90 MW per Staff DR 4-32)  
Column b, line 14: sum of lines 11-13  
Column b, line 16: line 11 / line 14  
Column b, line 18: line 9 \* line 16  
Column b, line 20: Schedule H-17, line 32  
Column b, line 22: line 18 - line 20  
Column c, line 22: Schedule N-1, page 12, column b, line 20  
Column d, line 22: Schedule N-1, page 27, column d, line 5  
Column e, line 22: column b \* column d

<u>Line</u>	<u>Description</u>	<u>Total Company Amount</u>	<u>Allocation Factor</u>	<u>South Dakota Percent</u>	<u>South Dakota Amount</u>
(a)	(b)	(c)	(d)	(e)	
1	Company Proposed Adjustment	\$ (215,934)			
2					
3	Additional Staff Proposed Adjustments:				
4	Newell Office Telephone	(660)			
5	Newell Office Janitorial Labor	(3,223)			
6	Belle Fourche Office Telephone	(696)			
7	Newell Office Depreciation Expense	(2,817)			
8	Total Additional Costs	<u>(7,396)</u>			
9					
10	Total Expense Adjustment	<u>\$ (223,330)</u>			
11					
12	Allocation Breakout:				
13	Customer Records and Collection Expense	\$ (220,513)	CUSTREC	96.116%	\$ (211,948)
14	Newell Office Depreciation Expense	(2,817)	GENLPLT	91.807%	\$ (2,586)
15					
16	Rate Base:				
17					
18	Plant in Service	\$ (60,986)	GENLPLT	91.807%	(55,989)
19	Accumulated Depreciation	<u>(51,255)</u>	GENLPLT	91.807%	<u>(47,056)</u>
20					
21	Total Reduction to Rate Base	<u>\$ (9,731)</u>			<u>\$ (8,933)</u>

**SOURCES:**

- Column b, line 1: Schedule H-21, line 30
- Column b, lines 4 & 5: Staff DR 2-48d
- Column b, line 6: Staff DR 2-48g
- Column b, line 7: Staff DR 4-37
- Column b, line 8: Sum of lines 4-7
- Column b, line 10: Line 1 + line 8
- Column b, line 13: Sum of lines 1, 4, 5, & 6
- Column b, line 14: Line 7
- Column b, lines 18 & 19: Email from Jon Thurber on 9/19/14
- Column b, line 21: Line 18 - line 19
- Column c, line 13: Schedule N-1, page 15, column b, line 145
- Column c, lines 14, 18, & 19: Email from Jon Thurber on 9/19/14
- Column d, line 13: Schedule N-1, page 28, column d, line 76
- Column d, lines 14, 18, & 19: Email from Jon Thurber on 9/19/14
- Column e, lines 13, 14, 18, & 19: column b \* column d
- Column e, line 21: Line 18 - line 19

Public Attachment MCC-1

Line	Description	South Dakota	Expense	Adjustments	Total	Expense	Expense
		Per Books	Adjustments	Adjustments	Expense	Lead Days	Dollar Days
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	<b>Operation &amp; Maintenance</b>						
2	Coal	\$ 45,469	\$ (16,596,244)	(45,469)	\$ -	35.20	\$ -
3	Coal Transportation	-	-	-	-	33.60	-
4	Natural Gas - Other Production	6,299	(2,299,180)	(6,299)	-	41.50	-
5	Purchased Power and Capacity	110,134	(33,737,640)	(92,432)	17,702	33.80	598,328
6	Transmission	46,712	(17,049,706)	(46,712)	-	24.30	-
7	Net Payroll	23,102	1,418,708	3,887	26,989	15.50	418,322
8	Vacation	7,026	-	-	7,026	110.30	774,913
9	Incentive Compensation	1,756	(128,260)	(351)	1,405	242.00	340,010
10	Workers Comp	45	171,566	470	515	986.60	508,099
11	Service/Holding Company Charges	81,425	2,962,647	8,117	89,542	40.00	3,581,680
12	Other O&M	48,183	(1,235,753)	(3,386)	44,797	28.00	1,254,302
13	Uncollectible Accounts	1,170	(14,090)	(39)	1,131	117.30	132,608
14	Wyodak Power Plant O&M	9,006	-	-	9,006	69.30	624,116
15	Total O & M	380,325	(66,507,952)	(182,214)	198,111		8,232,378
16	Depreciation & Amortization	131,511	4,810,503	13,179	144,690	-	-
17	Property Taxes	12,580	-	-	12,580	305.80	3,846,964
18	Payroll - FICA	7,517	108,531	297	7,814	15.50	121,117
19	Payroll - FUTA & SUTA	253	4,965	14	267	75.90	20,265
20	SD Gross Receipts Tax	580	10,321	28	608	378.50	230,128
21	Federal Income Tax	336	4,915,612	13,467	13,803	37.00	510,715
22	Deferred Income Taxes	36,606	-	-	36,606	-	-
23	Investment Tax Credit	-	-	-	-	-	-
24	Interest on Long Term Debt	44,249	(2,026,248)	(5,551)	38,698	91.40	3,536,997
25	Total	\$ 613,957	\$ (58,684,268)	\$ (160,780)	\$ 453,177	36.41	\$ 16,498,564
26	Revenue Lag Days	36.86					
27	Expense Lead Days	36.41					
28	Net Days	0.45					
29	Expense per Day	453,177					
30	Cash Working Capital	203,930					

SOURCES:

Line 15: Sum of lines 2 through 14

Line 25 (except column f): Sum of lines 16 through 24

Column (b)

Lines 2-6, 9, 11, 14, 16-20, 24: Statement N, page 9, column d  
Line 7: \$30,127 (Statement N, page 9, column d) minus column b, line 8  
Line 8: \$2,810,477 (Staff DR 3-57b) \* \$30,127 (Stmnt N, page 9) / \$33,019 (Stmnt N, page 9) / 365  
Line 9: \$641,056 (Staff DR 2-11) / 365  
Line 12: \$51,108 (Statement N, page 9, column d) minus column b, lines 9 & 13  
Line 13: \$426,884 (Stmnt N, page 15) / 365  
Line 21: \$36,942 (Statement N, page 9, column d) minus column b, line 22  
Line 22: (\$36,942 (Stmnt N, page 9) / \$41,134 (Stmnt N, page 9)) \* \$14,877,311 (Stmnt K, page 2, line 59, column a) / 365  
Line 26: Schedule F-3, line 43  
Line 27: Column f, line 25  
Line 28: Column b, line 26 less line 27  
Line 29: Column e, line 25  
Line 30: Column b, line 28 \* line 29

Column (c)

Line 2: (Statement H, page 1, column g, line 6 \* Statement N-1 ENEFUEL SD allocator)  
+ BAM-3 Sch 3, column e, line 1 + (Statement H, page 4, column p, line 6  
\* Statement N-1 ENEFUEL SD allocator)  
Line 4: (Statement H, page 1, column g, line 27 \* Statement N-1 ENEFUEL SD allocator)  
+ BAM-3 Sch 3, column e, line 2  
Line 5: (Statement H, page 1, column g, line 45 \* Statement N-1 ENERGY1 SD allocator)  
+ BAM-3 Sch 3, column e, line 3  
Line 6: (Statement H, page 2, column g, line 56 \* Statement N-1 TRANPLT SD allocator)  
+ BAM-3 Sch 3, column e, line 6  
Line 7: BAM-1 Sch 3, column c, line 15  
Line 9: DEP-1 Sch 1, column d, line 3  
Line 10: BAM-1 Sch 3, column an, line 15  
Line 11: BAM-1 Sch 3, column d, line 15 + BAM-1 Sch 3, column an, line 15  
+ DEP-1 Sch 1, column D, lines 4 and 5 + EJP-1 Sch 1, column f, lines 12 and 16  
Line 12: BAM-1 Sch 3, column ap, line 15 - sum of PJS-1 Sch 4, column c, lines 2-11, 13, 14  
Line 13: BAM-1 Sch 3, column f, line 15  
Line 16: BAM-1 Sch 3, column ap, line 16  
Line 17: BAM-1 Sch 3, column ap, line 18  
Line 18: BAM-1 Sch 3, column ap, line 20  
Line 19: BAM-1 Sch 3, column ap, line 21 + BAM-1 Sch 3, column ao, line 22  
Line 20: BAM-1 Sch 2, column e, line 23  
Line 21: BAM-1 Sch 2, column c, line 24 + BAM-1 Sch 2, column e, line 24  
Line 24: BAM-3 Sch 2, column b, line 5

Column (d)

Column c / 365

Column (e)

Column b + column d

Column (f)

Lines 2-6, 9, 14, 16-17, 19, 24: Schedule F-3, column c  
Line 7: Email from Jon Thurber on 9/20/14  
Line 8: \$849,069 (Staff DRs 3-57c & 6-46) / (\$2,810,477 (Staff DR 3-57b) / 365)  
Line 9: Email from Jon Thurber on 11/03/2014  
Line 11: Staff DR 3-55, Attachment 3-55 Revised BHP BHSC and BHUH  
Line 12: Staff DR 3-51  
Line 13: \$141,656 (Staff DR 3-58b) / (\$440,879 (Stmnt N, page 15) / 365)  
Line 18: Email from Jon Thurber on 9/20/14  
Line 21: Staff workpaper  
Line 20: Staff DR 3-52  
Line 25: Line 25, column g / column e

Column (g)

Column e \* column f

<u>Line</u>	<u>Description</u> (a)	<u>Total Company Amount</u> (b)	<u>Allocation Factor</u> (c)	<u>South Dakota Percent</u> (d)	<u>South Dakota Amount</u> (e)
1	Expense:				
2					
3	Total Project Cost	\$ 398,950			
4	Joint Ownership Contribution	61,031			
5	Total BHP Cost	<u>337,919</u>			
6					
7	LIDAR Amortization Period	5			
8	Annual LIDAR Expense	<u>\$ 67,584</u>	OHDIST	94.855%	<u>\$ 64,107</u>
9					
10					
11					
12	Rate Base:				
13					
14	Average Unamortized LIDAR Expense	<u>\$ 168,960</u>	TOTPLT	91.201%	<u>\$ 154,093</u>
15					
16	Accumulated Deferred Income Tax	<u>\$ 59,136</u>	TOTPLT	91.201%	<u>\$ 53,932</u>

**SOURCES:**

Column b, line 3: Supplemental Response to Staff DR 4-36B  
Column b, line 4: Email from Jon Thurber on 10/21/14  
Column b, line 5: Line 3 - Line 4  
Column b, line 7: Schedule H-20, line 5  
Column b, line 8: Line 5 / Line 7  
Column b, line 14: Line 5 / 2  
Column b, line 16: Line 14 \* 0.35  
Column c, line 8: Schedule N-1, page 14, column b, line 114  
Column c, lines 14 & 16: Schedule N-1, page 8, column b, line 14  
Column d, line 8: Schedule N-1, page 29, column d, line 119  
Column d, lines 14 & 16: Schedule N-1, page 29, column d, line 100  
Column e, lines 8, 14, & 16: column b \* column d

Public Attachment MCC-1

Line	Description (a)	South Dakota Per Books (b)	Expense Adjustments (c)	Pro Forma Collections (d)	Collections Per Day (e)	Collection Lead Days (f)	Available (g)
1	Employee FICA	\$ 1,586,107	\$ 108,531	1,694,638	\$ 4,643	15.50	\$ 71,964
2	Federal Withholding	3,097,649	-	3,097,649	8,487	15.50	131,544
3	South Dakota Sales Tax	7,380,916	(611,349)	6,769,567	18,547	8.77	162,655
4	Total						<u>366,163</u>

**SOURCES:**

**Column (b)**

Line 1: 1,738,374 (Schedule F-3, line 52) \* (65,187/71,445) (Stmt N, page 10, line 10)  
Line 2: 3,395,060 (Schedule F-3, line 53) \* (127,307/139,530) (Stmt N, page 10, line 11)  
Line 3: Schedule F-3, line 54, column a

**Column (c)**

Line 1: BAM-1 Sch 2, column c, line 20  
Line 3: (BAM-1 Sch 2, column c, line 2 + BAM-1 Sch 2, column e, line 2) \* 0.04

**Column (d)**

Column b + column c

**Column (e)**

Column d / 365

**Column (f)**

Lines 1 & 2: Email from Jon Thurber on 9/20/14  
Line 3: [(365/12)/2] + 30.42 (1 month) - 33.98 (revenue lag)

**Column (g)**

Lines 1-3: Column e \* column f  
Line 4: Sum lines 1-3

<u>Line</u>	<u>Calendar Year</u>	<u>Billed Revenue</u>	<u>Net Write Offs</u>	<u>Uncollectible Rate</u>
	(a)	(b)	(c)	(d)
1	2009	\$ 124,824,046	\$ 421,495	0.34%
2	2010	\$ 144,128,821	\$ 369,200	0.26%
3	2011	\$ 154,953,628	\$ 439,580	0.28%
4	2012	\$ 156,992,516	\$ 310,597	0.20%
5	2013	\$ 168,699,699	\$ 333,183	0.20%
6	5-Year Average	\$ 149,919,742	\$ 374,811	0.25%
	<b>Staff's Adjusted Test Year Revenue</b>	<b>Five Year Average Write Off %</b>	<b>Staff's Adjusted Uncollectible Accounts</b>	
7	\$ 158,231,868	0.25%	\$ 395,592	
8		SD Per Books	\$ 426,884	
9		Staff Adjustment	(31,292)	
	<b>Staff's Revenue Deficiency</b>	<b>Five Year Average Write Off %</b>	<b>Bad Debt Adjustment On Staff's Revenue Deficiency</b>	
10	\$ 6,880,425	0.25%	\$ 17,202	

**SOURCES:**

Columns a, b, and c, line 1 - 4: EL12-061 Exhibit\_\_(PJS-1) Schedule 1, lines 2 - 5  
Columns a and c, line 5: Schedule H-7, line 3  
Column b, line 5: BHP Response to Staff DR 1-1, Attachment "H- Bad Debt Analysis Updated Sep 2013.xlsx", Summary  
Column a, line 7: BAM-1 Sch 2, column d, line 2 - BAM-1 Sch 3, column x, line 2  
Column b, line 7: line 6, column c / column b  
Column c, line 7: line 7, column a \* column b  
Column c, line 8: Statement N, p. 15, line 146  
Column c, line 9: column c, line 7 - line 8  
Column a, line 10: BAM-1 Sch 1, column b, line 8  
Column b, line 10: line 6, column c / column b  
Column c, line 10: line 10, column a \* column b

<u>Line</u>	<u>Calendar Year</u> (a)	<u>Total Company</u> (b)	<u>South Dakota</u> (c)
1	2008	\$ 85,384	\$ 80,837
2	2009	133,646	126,770
3	2010	-	-
4	2011	98,960	93,868
5	2012	38,771	<u>36,776</u>
6		5-Year Average	67,650
7		Test Year Expense	<u>36,776</u>
8		Staff Adjustment	<u><u>\$ 30,874</u></u>

**SOURCES:**

Columns a, b, and c, line 1: Docket EL12-061, Exhibit PJS-1, Sch 3, line 1  
Columns a, b, and c, lines 2, 3, 4, and 5: BHP Response to Staff DR 2-23  
Column c, line 6: Column c, average lines 1-5  
Column c, line 7: BHP Response to Staff DR 2-23  
Column c, line 8: Column c, line 6 - line 7

<u>Line</u>	<u>Description</u> (a)	<u>Total Company Amount</u> (b)	<u>Allocation Factor</u> (c)	<u>South Dakota Percent</u> (d)	<u>South Dakota Amount</u> (e)
1	Expense:				
2					
3	Stipulated South Dakota Vegetation Management Expens	\$ 1,741,509			
4	South Dakota Jurisdictional Allocation	94.855%			
5	Stipulated Total Company Vegetation Management Exper	1,835,970			
6	Test Year Total Company Vegetation Management Expen	2,236,558			
7	Adjustment	(400,588)	OHDIST	94.855%	<u>\$ (379,978)</u>

**SOURCES:**

Column b, line 3: Schedule H-14, line 2  
Column b, line 4: Statement N, page 29, column d, line 119  
Column b, line 5: Line 3 / Line 4  
Column b, line 6: Schedule H-14, line 5  
Column b, line 7: Line 5 - Line 6  
Column c, line 7: Schedule N-1, page 23, column b, line 119  
Column d, line 7: Schedule N-1, page 29, column d, line 119  
Column e, line 7: Column b \* Column d

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
1	Materials and Supplies:				
2	13 month average ending July 31, 2014	\$ 16,140,317			
3	Less test year 13 month average	15,098,699			
4	Difference	1,041,618			
5	Additions:				
6	Neil Simpson II GSU Spare Transformer	953,952			
7	Critical Spare Generation Fan Motors	801,515			
8	Cheyenne Prairie Generating Station	944,530			
9	Subtotal:	\$ 3,741,615			
10	Deletions:				
11	Ben French Inventory	(804,043)			
12	Neil Simpson I Inventory	(1,160,374)			
13	Osage Inventory	(841,905)			
14	Total:	\$ 935,293	TOTPLT	91.201%	\$ 852,997
15					
16	Fuel Stocks:				
17	13 month average ending July 31, 2014	\$ 5,931,001			
18	Less test year 13 month average	5,987,526			
19	Difference	(56,525)			
20	Addition:				
21	Neil Simpson Complex Coal Stockpile	1,284,708			
22	Total:	\$ 1,228,183	ENEFUEL	87.637%	\$ 1,076,343
23					
24	Customer Advances:				
25	13 month average ending July 31, 2014	\$ 1,111,148			
26	Less test year 13 month average	1,189,781			
27	Difference	(78,633)	CUSTADV	99.400%	\$ (78,161)

**SOURCES:**

Column b, line 2: Staff DR 7-15  
Column b, line 3: Schedule F-1, line 27  
Column b, line 4: Line 2 - Line 3  
Column b, lines 6 & 7: Schedule F-1, lines 29 & 30  
Column b, line 8: Email from Jon Thurber on 11/04/14  
Column b, line 9: Sum lines 4, 6, 7, & 8  
Column b, lines 11 - 13: Staff DR 7-15  
Column b, line 14: Sum lines 9, 11, 12, & 13  
Column b, line 17: Staff DR 7-15  
Column b, line 18: Schedule F-1, line 27  
Column b, line 19: Line 17 - Line 18  
Column b, line 21: Staff DR 7-15  
Column b, line 22: Line 19 + Line 21  
Column b, line 25: Staff DR 7-16  
Column b, line 26: Schedule M-1, line 35  
Column b, line 27: Line 25 - Line 26  
Column c, lines 14 & 22: Staff DR 7-15  
Column c, line 27: Staff DR 7-16  
Column d, line 14: Schedule N-1, page 29, line 100  
Column d, line 14: Schedule N-1, page 28, line 50  
Column d, line 14: Schedule N-1, page 33, line 29  
Column e, lines 14, 22, and 27: Column b \* Column d

Line	Description (a)	Total Company Amount (b)	Allocation Factor (c)	South Dakota Percent (d)	South Dakota Amount (e)
1	Black Hills Power's Share of Allocated Costs:				
2					
3	Pool 1 - Shared by all plants	\$ 660,473			
4	Pool 2 - Neil Simpson II and Wygen I	382,263			
5	Pool 3 - Wygen II and III	716,210			
6	Pool 4 - Wygen I, II, and III and Neil Simpson II	222,443			
7	Pool 5 - Combustion Turbine I and II and Wygen I, II, and	17,028			
8	Pool 6 - Combustion Turbine I and II	16,380			
9	Pool 7 - Wygen I, II, and III	22,099			
10	Total	2,036,896			
11					
12	Per Books	1,463,778			
13					
14	Shared Facilities Expense Adjustment	<u>\$ 573,118</u>	DPROD	89.831%	<u>\$ 514,838</u>
15					
16					
17	Black Hills Power's Share of Allocated Revenues:				
18					
19	Pool 1 - Shared by all plants	\$ 1,176,459			
20	Pool 2 - Neil Simpson II and Wygen I	727,132			
21	Pool 3 - Wygen II and III	387,507			
22	Pool 4 - Wygen I, II, and III and Neil Simpson II	383,643			
23	Pool 5 - Combustion Turbine I and II and Wygen I, II, and	42,570			
24	Pool 6 - Combustion Turbine I and II	32,760			
25	Pool 7 - Wygen I, II, and III	-			
26	Total	2,750,071			
27					
28	Per Books	1,920,304			
29					
30	Shared Facilities Revenue Adjustment	<u>\$ 829,767</u>	TDPLT	93.444%	<u>\$ 775,367</u>

**SOURCES:**

Column b, lines 3-5 and 7-9: Supplemental Response to Staff DR 2-38  
Column b, line 6: Supplemental Response to Staff DR 2-38 modified for Staff Coal Stockpile Adjustment  
Column b, line 10: Sum lines 3 - 9  
Column b, line 12: Schedule H-10, line 3  
Column b, line 14: Line 10 - Line 12  
Column b, lines 19-21 and 23-25: Supplemental Response to Staff DR 2-38  
Column b, line 22: Supplemental Response to Staff DR 2-38 modified for Staff Coal Stockpile Adjustment  
Column b, line 26: Sum lines 19 - 25  
Column b, line 28: Schedule H-10, line 19  
Column b, line 30: Line 26 - Line 28  
Column c, line 14: Schedule N-1, page 12, line 13, column b  
Column c, line 30: Schedule N-1, page 11, line 13, column b  
Column d, line 14: Schedule N-1, page 27, line 5, column d  
Column d, line 30: Schedule N-1, page 29, line 104, column d  
Column e, lines 14 & 30: Column b \* Column d

Line	Description	Total Company Amount	Allocation Factor	SD Company Amount	SD Amount Staff Adjusted	SD Adjustment
	(a)	(b)	(c)	(d)	(e)	(f)
1	<b>Association Memberships</b>					
2	BHP					
3	Transmission Expense	\$ 130,624	90.97%	\$ 118,830	\$ 118,830	\$ -
4	Distribution Expense	90	94.30%	85	-	(85)
5	Customer Service Expense	3,746	96.12%	3,601	3,024	(577)
6	Administrative & General Expense	2,324	91.67%	2,131	1,323	(808)
7	Total BHP Association Memberships	\$ 136,784		\$ 124,647	\$ 123,177	\$ (1,470)
8						
9	BHUH					
10	Transmission Expense	\$ 4,881	90.97%	\$ 4,440	\$ 4,440	\$ -
11	Administrative & General Expense	81,509	91.67%	74,719	74,193	(526)
12	Total BHUH Association Memberships	\$ 86,390		\$ 79,159	\$ 78,633	\$ (526)
13						
14	BHSC					
15	Administrative & General Expense	13,931	91.67%	12,776	8,926	(3,850)
16	Total BHSC Association Memberships	\$ 13,931		\$ 12,776	\$ 8,926	\$ (3,850)
17						
18	<b>Total Association Memberships</b>	<b>\$ 237,105</b>		<b>\$ 216,582</b>	<b>\$ 210,736</b>	<b>\$ (5,846)</b>
19						
20	Total Association Memberships					
21	Transmission Expense	\$ 135,505	90.97%	\$ 123,270	\$ 123,270	\$ -
22	Distribution Expense	90	94.30%	85	-	(85)
23	Customer Service Expense	3,746	96.12%	3,601	3,024	(577)
24	Administrative & General Expense	97,764	91.67%	89,626	84,442	(5,184)
25	Total	\$ 237,105		\$ 216,582	\$ 210,736	\$ (5,846)

**Sources:**

Column b, Line 3: EJP-1 Sch 1 pg2 column b, line 3	Column d, Line 21: sum of column d, lines 3 and 10
Column b, Line 4: EJP-1 Sch 1 pg2 column b, line 5	Column d, Line 22: column d, line 4
Column b, Line 5: sum of EJP-1 Sch 1 pg2 column b, lines 7 through 11	Column d, Line 23: column d, line 5
Column b, Line 6: sum of EJP-1 Sch 1 pg2 column b, lines 13 through 25	Column d, Line 24: sum of column d, lines 6, 11 and 15
Column b, Line 7: sum of column b, lines 3 through 6	Column d, Line 25: sum of column d, lines 21 through 24
Column b, Line 10: sum of EJP-1 Sch 1 pg3 column b, lines 3 through 8	Column e, Line 3: EJP-1 Sch 1 pg2 column e, line 3
Column b, Line 11: sum of EJP-1 Sch 1 pg3 column b, lines 10 through 34	Column e, Line 4: EJP-1 Sch 1 pg2 column e, line 5
Column b, Line 12: sum of column b, lines 10 and 11	Column e, Line 5: sum of EJP-1 Sch 1 pg2 column e, lines 7 through 11
Column b, Line 15: sum of EJP-1 Sch 1 pg4 column b, lines 3 through 53	Column e, Line 6: sum of EJP-1 Sch 1 pg2 column e, lines 13 through 25
Column b, Line 18: sum of column b, lines 7, 12 and 16	Column e, Line 7: sum of column e, lines 3 through 6
Column b, Line 21: sum of column b, lines 3 and 10	Column e, Line 10: sum of EJP-1 Sch 1 pg3 column e, lines 3 through 8
Column b, Line 22: column b, line 4	Column e, Line 11: sum of EJP-1 Sch 1 pg3 column e, lines 10 through 34
Column b, Line 23: column b, line 5	Column e, Line 12: sum of column e, lines 10 and 11
Column b, Line 24: sum of column b, lines 6, 11 and 15	Column e, Line 15: sum of EJP-1 Sch 1 pg4 column e, lines 3 through 53
Column b, Line 25: sum of column b, lines 21 through 24	Column e, Line 18: sum of column e, lines 7, 12 and 16
Column c, Line 3: EJP-1 Sch 1 pg2 column c, line 3	Column e, Line 21: sum of column e, lines 3 and 10
Column c, Line 4: EJP-1 Sch 1 pg2 column c, line 5	Column e, Line 22: column e, line 4
Column c, Line 5: EJP-1 Sch 1 pg2 column c, line 7	Column e, Line 23: column e, line 5
Column c, Line 6: EJP-1 Sch 1 pg2 column c, line 13	Column e, Line 24: sum of column e, lines 6, 11 and 15
Column c, Line 10: EJP-1 Sch 1 pg1 column c, line 3	Column e, Line 25: sum of column e, lines 21 through 24
Column c, Line 11: EJP-1 Sch 1 pg1 column c, line 13	Column f, Line 3: column e, line 3 - column d, Line 3
Column c, Line 15: EJP-1 Sch 1 pg1 column c, line 13	Column f, Line 4: column e, line 4 - column d, Line 4
Column c, Line 21: EJP-1 Sch 1 pg1 column c, line 3	Column f, Line 5: column e, line 5 - column d, Line 5
Column c, Line 22: EJP-1 Sch 1 pg1 column c, line 4	Column f, Line 6: column e, line 6 - column d, Line 6
Column c, Line 23: EJP-1 Sch 1 pg1 column c, line 5	Column f, Line 7: sum of column f, Line 3 through 6
Column c, Line 24: EJP-1 Sch 1 pg1 column c, line 6	Column f, Line 10: column e, line 10 - column d, Line 10
Column d, Line 3: EJP-1 Sch 1 pg2 column d, line 3	Column f, Line 11: column e, line 11 - column d, Line 11
Column d, Line 4: EJP-1 Sch 1 pg2 column d, line 5	Column f, Line 12: sum of column f, lines 10 and 11
Column d, Line 5: sum of EJP-1 Sch 1 pg2 column d, lines 7 through 11	Column f, Line 15: column e, line 15 - column d, Line 15
Column d, Line 6: sum of EJP-1 Sch 1 pg2 column d, lines 13 through 25	Column f, Line 18: sum of column f, lines 7, 12 and 16
Column d, Line 7: sum of column d, lines 3 through 6	Column f, Line 21: column e, line 21 - column d, Line 21
Column d, Line 10: sum of EJP-1 Sch 1 pg3 column d, lines 3 through 8	Column f, Line 22: column e, line 22 - column d, Line 22
Column d, Line 11: sum of EJP-1 Sch 1 pg3 column d, lines 10 through 34	Column f, Line 23: column e, line 23 - column d, Line 23
Column d, Line 12: sum of column d, lines 10 and 11	Column f, Line 24: column e, line 24 - column d, Line 24
Column d, Line 15: sum of EJP-1 Sch 1 pg4 column d, lines 3 through 53	Column f, Line 25: sum of column f, lines 21 through 24
Column d, Line 18: sum of column d, lines 7, 12 and 16	

Public Attachment MCC-1

Line	Description (a)	Total Company Amount (b)	Allocation Factor (c)	SD Company Amount (d)	SD Amount Staff Adjusted (e)	Justification (f)
1	BHP Association Memberships					
2	Transmission Expense					
3	Western Electricity Coordinating Council	\$ 130,624	90.97%	\$ 118,830	\$ 118,830	
4	Distribution Expense					
5	Nebraska Department of Agriculture	90	94.30%	85	-	No SD ratepayer benefit
6	Customer Service Expense					
7	Black Hills Advertising Federation	420	96.12%	404	404	
8	Realtors for Kids, Inc.	500	96.12%	481	-	Charitable Contributions
9	Refrigeration Engineers Society Dues	1,326	96.12%	1,274	1,274	
10	Rural Electric Resource Council	1,400	96.12%	1,346	1,346	
11	Southern Black Hills Board of Realtors	100	96.12%	96	-	Donation
12	Administrative & General Expense					
13	American Society of Heating Refrigerating	100	91.67%	92	92	
14	Black Hills Advertising Federation	260	91.67%	238	238	
15	Institute of Electrical and Electronics Engineers	220	91.67%	202	202	
16	Lions Club of Rapid City	80	91.67%	73	73	
17	Rapid City Cosmopolitan Club	166	91.67%	152	-	Donation
18	Rapid City Downtown Association	150	91.67%	138	-	Economic Development
19	Rapid City Rushmore Rotary Club	180	91.67%	165	-	Donation
20	SD Association of County Commissioners	250	91.67%	229	-	Lobbying
21	South Dakota Board of Accountancy	50	91.67%	46	46	
22	South Dakota Electrical Council	320	91.67%	293	293	
23	American Society for Training and Development	187	91.67%	172	172	
24	ASHRAE	226	91.67%	207	207	
25	South Dakota Broadcasters Association	135	91.67%	124	-	Charitable Contributions/elections/lobbying
26	Total BHP Associations	\$ 136,784		\$ 124,647	\$ 123,177	

Sources:

Columns a, b, c and d, Lines 3, 5, 7-11 and 13-25: Jon Thurber email on 9/19/14  
Columns a, b, c and d, Line 26: Sum of lines 3 through 25

Public Attachment MCC-1

Line	Description	Total Company Amount	Allocation Factor	SD Company Amount	SD Amount Staff Adjusted	Justification
	(a)	(b)	(c)	(d)	(e)	(f)
1	BHUH Association Memberships					
2	Transmission Expense					
3	SD Board of Technical Professionals	\$ 37	90.97%	\$ 34	\$ 34	
4	Inst of Electrical Engineers	93	90.97%	85	85	
5	North American Energy Standards Board	3,440	90.97%	3,129	3,129	
6	SD Board of Technical Professionals	39	90.97%	35	35	
7	Western Electricity Coordinating Council	1,110	90.97%	1,010	1,010	
8	ASTD Membership	162	90.97%	147	147	
9	Administrative & General Expense					
10	AICPA	61	91.67%	56	56	
11	AICPA South Dakota	72	91.67%	66	66	
12	American Bar Association	417	91.67%	382	382	
13	American Gas Association	463	91.67%	424	-	No BHP gas in SD
14	American Institute of Certified Public Accountants	72	91.67%	66	66	
15	ASTD Membership	20	91.67%	18	18	
16	Colorado Bar Association	87	91.67%	80	80	
17	Colorado Society of CPAs	90	91.67%	83	83	
18	Edison Electric Institute	260	91.67%	238	238	
19	Energy Bar Association	82	91.67%	75	75	
20	NARUC	732	91.67%	671	671	
21	National Association Regulatory Utility Commissioners	379	91.67%	347	347	
22	Natl Assn of Regulatory Utilities	214	91.67%	196	196	
23	North Central Electrical Assoc	5,396	91.67%	4,947	4,947	
24	North Central Electrical	92	91.67%	84	84	
25	Project Management Institute	46	91.67%	42	42	
26	Public Relations Society	90	91.67%	83	-	No SD ratepayer benefit
27	RMEL	601	91.67%	551	551	
28	RMEL	3,403	91.67%	3,120	3,120	
29	South Dakota Board of Accountancy	31	91.67%	28	28	
30	State Bar of South Dakota	438	91.67%	402	402	
31	State of Colorado Supreme	160	91.67%	147	147	
32	Western Conference of Public Service Commissioners	590	91.67%	541	541	
33	Wyoming Press Association	21	91.67%	19	-	No SD ratepayer benefit
34	Edison Electric Institute	67,692	91.67%	62,053	62,053	
35	Total BHUH Associations	\$ 86,390		\$ 79,159	\$ 78,633	

Sources:

Columns a, b, c and d, Lines 3-8 and 10-34: Jon Thurber email on 11/12/14  
Columns a, b, c and d, Line 35: Sum of lines 3 through 34

Public Attachment MCC-1

Line	Description	Total Company Amount	Allocation Factor	SD Company Amount	SD Amount Staff Adjusted	Justification
	(a)	(b)	(c)	(d)	(e)	(f)
1	BHSC Association Memberships					
2	Administrative & General Expense					
3	Accountancy Board of Ohio	\$ 32	91.67%	\$ 29	\$ 29	
4	AICPA	1,157	91.67%	1,061	1,061	
5	AICPA Dues LB	48	91.67%	44	44	
6	American Bar Association	117	91.67%	107	107	
7	American Bar Assoc Dues	147	91.67%	135	135	
8	American Gas Association	1,557	91.67%	1,427	-	No BHP gas in SD
9	American Payroll Association	37	91.67%	34	34	
10	ARMA International	74	91.67%	68	68	
11	ASTD Membership	42	91.67%	39	39	
12	Black Hills Advertising Federation	264	91.67%	242	242	
13	Center for Energy Workforce Development	171	91.67%	157	157	
14	Corp Secretaries	230	91.67%	211	-	Lobbying
15	Edison Electric Inst.	457	91.67%	419	419	
16	Energy Bar Association	121	91.67%	111	111	
17	Human Resource Cert Institute	17	91.67%	16	16	
18	Inst of Certified Mgmt	169	91.67%	155	155	
19	Institute for Corporate Productivity	4,301	91.67%	3,943	3,943	
20	Institute for Supply Mgt	18	91.67%	17	17	
21	Institute of Industrial E	32	91.67%	29	29	
22	Institute of Industrial Energy	30	91.67%	28	28	
23	Montana Tax Foundation Inc	77	91.67%	71	-	No SD ratepayer benefit
24	Montana Taxpayers Association	53	91.67%	49	-	No SD ratepayer benefit
25	Mountain States Employers Council Inc	830	91.67%	761	-	No SD ratepayer benefit
26	National Investor	162	91.67%	149	-	Benefits Shareholders
27	National Investor Relations Institute	403	91.67%	369	-	Benefits Shareholders
28	National Wellness Institu	22	91.67%	20	-	No SD ratepayer benefit
29	National Wellness Institute	21	91.67%	19	-	No SD ratepayer benefit
30	Natl Assn Reg Util Comm	169	91.67%	155	155	
31	Natl Assoc of Legal Assis	57	91.67%	52	52	
32	Natl Assoc of Stock Plan	140	91.67%	128	-	Benefits Shareholders
33	Nebraska State Bar Association	123	91.67%	113	113	
34	NVBOE	46	91.67%	42	42	
35	Omaha Bar Association	87	91.67%	80	80	
36	Pennington County Bar Assoc	51	91.67%	47	47	
37	PP South Dakota CPA Socie	196	91.67%	180	180	
38	Project Management Insitt	27	91.67%	25	25	
39	Public Affairs Council	554	91.67%	508	-	Advocacy
40	Public Relations Society	121	91.67%	111	-	No SD ratepayer benefit
41	Soc of Petrol Eng	18	91.67%	17	-	No BHP gas in SD
42	South Dakota Board of Accountancy	253	91.67%	232	232	
43	South Dakota Paralegal Association Inc	26	91.67%	24	24	
44	South Dakota Safety Council	77	91.67%	71	71	
45	State Bar of Nevada Onlin	11	91.67%	10	10	
46	State Bar of Nevada Online	27	91.67%	25	25	
47	State Bar of South Dakota	409	91.67%	375	375	
48	State of Colorado Supreme	138	91.67%	127	127	
49	Supreme CT Lawyer Registration	87	91.67%	80	80	
50	Western States Assoc of Tax	11	91.67%	10	-	No SD ratepayer benefit
51	Wisconsin Bar Association	94	91.67%	86	86	
52	World at Work	84	91.67%	77	77	
53	Wyoming State Bar	536	91.67%	491	491	
54	Total BHSC Associations	\$ 13,931		\$ 12,776	\$ 8,926	

Sources:

Columns a, b, c and d, Lines 3-53: Jon Thurber email on 11/12/14  
Columns a, b, c and d, Line 35: Sum of lines 3 through 53

Line	Description	Amount
	(a)	(b)
1	<b><u>Rate Case Expense:</u></b>	
2		
3	<b>EL12-061 Amortization Adjustment:</b>	
4	EL12-061 & EL12-062 Rate Case Expense Established in EL12-061	\$ 261,813
5	Amortization Period in years (6/16/2013-6/16/2016, 36 months)	<u>3</u>
6	Annual Amortization	87,271
7	Remaining Amortization in years (10/01/2014-6/16/2016, 20.5 months)	<u>1.7083</u>
8	Unrecovered Rate Case Expense	<u><u>\$ 149,088</u></u>
9		
10	<b>Residual Rate Case Expense EL12-061:</b>	
11	Consulting	\$ 30,482
12	Legal	188,122
13	Supplies and Other	333
14	SD PUC Filing Fee	<u>122,821</u>
15	Total EL12-061 Rate Case Expense	341,758
16	Costs Currently Recovered in Rates	<u>188,643</u>
17	Residual EL12-061 Rate Case Costs	<u><u>\$ 153,115</u></u>
18		
19	<b>Residual Rate Case Expense EL12-062:</b>	
20	Consulting	\$ 27,385
21	Legal	87,616
22	Supplies and Other	333
23	SD PUC Filing Fee	<u>68,430</u>
24	Total EL12-062 Rate Case Expense	183,764
25	Costs Currently Recovered in Rates	<u>73,170</u>
26	Residual EL12-062 Rate Case Costs	<u><u>\$ 110,594</u></u>
27		
28	<b>Rate Case Expense EL14-026:</b>	
29	Depreciation Consultant	\$ 20,453
30	Capital Structure/Rate of Return Consultant	9,116
31	Class Cost of Service Consultant	5,120
32	Other Consulting	3,864
33	Legal	48,337
34	Supplies and Other	12,612
35	SD PUC Filing Fee	<u>113,359</u>
36	Total EL14-026 Rate Case Expense	<u><u>\$ 212,861</u></u>
37		
38	<b>Consolidated Rate Case Expense Adjustment:</b>	
39	Unrecovered Rate Case Expense EL12-061 and EL12-062	\$ 412,797
40	EL14-026 Rate Case Expense	<u>212,861</u>
41	Total Unrecovered Rate Case Costs	625,657
42	Amortization Period (years)	<u>3</u>
43	Annual Rate Case Expense Amortization	208,552
44	Test Year Rate Case Expense	<u>78,780</u>
45	Rate Case Expense Adjustment	<u><u>\$ 129,772</u></u>

46	<b><u>Rate Base Adjustment for Unamortized Rate Case Expense:</u></b>	
47	EL12-061 Rate Base Adjustment	\$ 130,907
48	Residual Costs for EL12-061 and EL12-062	131,855
49	EL14-026 Rate Case Expense	<u>106,430</u>
50	Total Unamortized Rate Case Expense	369,191
51	Test Year Unamortized Rate Case Expense	-
52	Unamortized Rate Case Expense Rate Base Adjustment	<u><u>\$ 369,191</u></u>

**Sources:**

- Line 4, column b: EL12-061, PJS-1 Sch. 2, line 11
- Line 5, column b: EL12-061, PJS-1 Sch. 2, line 12
- Line 6, column b: EL12-061, PJS-1 Sch. 2, line 13
- Line 7, column b: Amortization Months Remaining (20.5 as of 10/01/2014) / 12 months
- line 8, column b: line 6, column b \* line 7, column b
- lines 11 through 17, column b: Schedule H-13
- lines 20 through 26, column b: Schedule H-13
- lines 29 through 34: Email from Jon Thurber on 11/06/14
- line 35, column b: Email from Jon Thurber on 11/06/14 plus staff consultant bill of \$37,537.50 for servi
- line 36, column b: sum of lines 29 through 35, column b
- line 39, column b: line 8, column b + line 17, column b + line 26, column b
- line 40, column b: line 36, column b
- line 41, column b: line 39, column b + line 40, column b
- line 42, column b: Staff proposed amortization period
- line 43, column b: line 41, column b / line 42, column b
- line 44, column b: Schedule H-13
- line 45, column b: line 43, column b - line 44, column b
- line 47, column b: EL12-061 PJS-1 Sch. 2, line 16
- line 48, column b: (line 17, column b + line 26, column b) / 2
- line 49, column b: line 36, column b / 2
- line 50, column b: line 47, column b + line 48, column b + line 49, column b
- line 51, column b: email from Jon Thurber 9/4/2014
- line 52, column b: line 50, column b - line 51, column b

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
1	<b>Company Proposed Adjustment</b>				
2	<u>Customer Accounting Expense</u>				
3	Supervision (Acct 901)	(963)	SALWAGCA	96.248%	(927)
4	Customer Records and Collection Expenses (Acct 903)	(274)	CUSTREC	96.116%	(263)
5	<u>Customer Service Expense</u>				
6	Customer Assistance (Acct 908)	(10,097)	CUSTASST	96.116%	(9,705)
7	Advertisement (Acct 909)	(3,577)	CUSTADVT	96.116%	(3,438)
8	Miscellaneous (Acct 910)	(9,514)	CUSTCSM	96.116%	(9,144)
9	<u>Sales Expense</u>				
10	Demonstrating and Selling Expenses (Acct 912)	(314)	SALESREV	92.065%	(289)
11	Advertising Expenses (Acct 913)	(46)	SALESREV	92.065%	(42)
12	<u>Administrative and General Expense</u>				
13	Office Supplies & Expense (Acct 921)	(20,593)	SALWAGES	91.673%	(18,878)
14	Outside Services (Acct 923)	(591)	SALWAGES	91.673%	(542)
15	General Advertising (Acct 930.1)	(215,449)	SALWAGES	91.673%	(197,509)
16	Miscellaneous General (Acct 930.2)	(1,099)	SALWAGES	91.673%	(1,007)
17		<u>\$ (262,517)</u>			<u>\$ (241,745)</u>
18					
19	<b>Additional Staff Proposed Adjustment</b>				
20	<u>Administrative and General Expense</u>				
21	Energy Efficiency (Acct 930.1)	(1,175)		91.673%	\$ (1,077)
22	General Advertising (Acct 930.1)	(3,243)		91.673%	\$ (2,973)
23	General Advertising (Acct 930.1)	(36)		91.673%	\$ (33)
24		<u>\$ (4,454)</u>			<u>\$ (4,083)</u>
25					
26					
27	<b>Total Advertising Disallowance</b>				
28	Customer Accounting Expense				\$ (1,190)
29	Customer Service Expense				\$ (22,287)
30	Sales Expense				\$ (331)
31	Administrative and General Expense				\$ (222,019)
32	<b>Total</b>				<u>\$ (245,828)</u>

**Sources:**

Lines 3-4, 6-8, 10-11, and 13-16, columns a-b: Schedule H-11  
Line 17, column b: Schedule H-11  
Line 3, column c: N-1, page 15, column B, line 143  
Line 4, column c: N-1, page 15, column B, line 145  
Line 6, column c: N-1, page 15, column B, line 153  
Line 7, column c: N-1, page 15, column B, line 154  
Line 8, column c: N-1, page 15, column B, line 155  
Line 10, column c: N-1, page 15, column B, line 158  
Line 11, column c: N-1, page 15, column B, line 158  
Line 13, column c: N-1, page 15, column B, line 164  
Line 14, column c: N-1, page 15, column B, line 165  
Line 15, column c: N-1, page 15, column B, line 172  
Line 16, column c: N-1, page 15, column B, line 173  
Line 3, column d: N-1, page 31, column d, line 216  
Line 4, column d: N-1, page 28, column d, line 76  
Line 6, column d: N-1, page 28, column d, line 78  
Line 7, column d: N-1, page 28, column d, line 79  
Line 8, column d: N-1, page 28, column d, line 80  
Line 10, column d: N-1, page 32, column d, line 233  
Line 11, column d: N-1, page 32, column d, line 233  
Line 13, column d: N-1, page 31, column d, line 224  
Line 14, column d: N-1, page 31, column d, line 224  
Line 15, column d: N-1, page 31, column d, line 224  
Line 16, column d: N-1, page 31, column d, line 224  
Lines 3-4, 6-8, 10-11, and 13-16, column e: Column b \* Column d  
Line 17, column e: column e, Sum of lines 3-4, 6-8, 10-11, and 13-16  
Line 21, columns b and d-e: Attachment 2-24A, line 1  
Line 22, columns b and d-e: Attachment 2-24A, line 16  
Line 23, columns b and d-e: Attachment 2-24A, line 17  
Line 24, column b: column b, line 21 + line 22 + line 23  
Line 24, column e: column e, line 21 + line 22 + line 24  
Line 28, column e: column e, Sum of line 3 and 4  
Line 29, column e: column e, Sum of line 6, 7 and 8  
Line 30, column e: column e, Sum of line 10 and 11  
Line 31, column e: column e, Sum of line 13, 14, 15, 16, 21, 22 and 23  
Line 32, column e: column e, Sum of line 28 to 31

<u>Line</u>	<u>Description</u>	<u>Total Company Amount</u>	<u>South Dakota Percent</u>	<u>South Dakota Amount</u>
	(a)	(b)	(c)	(d)
1	<b>Economic Development Memberships</b>			
2	Account 908000	\$ 25,338	96.12%	\$ 24,299
3	Account 910000	\$ 1,250	96.12%	\$ 1,201
4	Account 921000	\$ 21,430	91.67%	\$ 19,646
5	Account 930200	\$ 1,700	91.67%	\$ 1,559
6		<u>\$ 49,718</u>		<u>\$ 46,705</u>
7				
8	<b>Community Sponsorships</b>			
9	Account 908000	\$ 5,895	96.12%	\$ 5,666
10				
11	<b>Business Retention, Recruitment &amp; Marketing</b>			
12	Account 908000	\$ 25,275	96.12%	\$ 24,293
13				
14	Total Per Books Economic Development Expense	<u>\$ 80,888</u>		<u>\$ 76,664</u>
15				
16	Economic Development Sharing Mechanism			\$ 50,000
17				
18	Adjustment			<u>\$ (26,664)</u>

**SOURCES:**

Lines 1-14, Columns a, b, c and d: Email with Jon Thurber 9/19/14

Line 16, Column d: 1/2 of agreed upon economic development budget of \$100,000

Line 18, Column d: Line 16 column d - line 14 column d

**BLACK HILLS POWER, INC.**  
Incentive Compensation Expense Adjustment  
Test Year Ended September 30, 2013

(A)	(B)	(C)	(D)
1. Incentive comp. included in SD cost of service			\$3,789,287
<b><u>Commission Staff Adjustments</u></b>			
2. Exclude amounts related to financial goals			
3. BHP			(128,260)
4. BHSC			(513,284)
5. BHUH			<u>(24,524)</u>
6. Subtotal Staff Adjustments			<u>(\$666,068)</u>
7. Adjusted SD incentive compensation expense			<u><u>\$3,123,219</u></u>

**Source:**

BHP response to SDPUC Request No. 2-11 (CONFIDENTIAL)

Public Attachment MCC-1

Line	Description	Total Company Per Books (b)	Total Company Pro Forma (c)	Total Company Adjustment (d)	Allocation Factor (e)	South Dakota Percent (f)	South Dakota Amount (g)
<b>Production</b>							
1	System Control and Load Dispatch (Account 556)	\$ 65,558	\$ 57,649	\$ (7,909)	DPROD	89.83%	\$ (7,105)
2	Total Production	\$ 65,558	\$ 57,649	\$ (7,909)			\$ (7,105)
<b>Transmission</b>							
3	Transmission Supervision & Operations (Account 560)	\$ 519,947	\$ 601,557	81,610	SALWAGTO	90.97%	74,242
4	Load Dispatch (Accounts 561-571)	2,239,777	2,554,208	314,431	TRANPLT	90.97%	286,041
5	Total Transmission	\$ 2,759,724	\$ 3,155,765	\$ 396,041			\$ 360,283
<b>Distribution</b>							
6	Load Dispatch (Accounts 580-588)	784,063	1,001,937	217,874	DISTPLT	93.47%	203,657
7	Distribution Maintenance of Overhead Lines (Accounts 590-598)	52,976	132,695	79,719	OHDIST	94.85%	75,617
8	Total Distribution	\$ 837,039	\$ 1,134,632	\$ 297,593			\$ 279,274
<b>Customer Accounts</b>							
9	Customer Records and Collection Expenses (Accounts 901-913 excluding 904)	1,308,084	1,984,064	675,980	CUSTREC	96.12%	649,723
10	Total Customer Accounts	\$ 1,308,084	\$ 1,984,064	\$ 675,980			\$ 649,723
<b>Administrative and General</b>							
11	Administrative & General Salaries (Account 920)	\$ 5,208,683	\$ 5,627,485	\$ 418,802	SALWAGES	91.67%	\$ 383,930
12	Office Supplies and Expenses (Account 921)	932,149	1,005,061	72,912	SALWAGES	91.67%	66,841
13	Outside Services (Account 923)	270,757	426,566	155,809	SALWAGES	91.67%	142,835
14	Property Insurance (Account 924)	1,632	1,281	(351)	TOTPLT	91.20%	(320)
15	Injuries and Damages (Account 925)	151,833	337,078	185,245	SALWAGES	91.67%	169,820
16	Employee Pensions and Benefits (Account 926)	(122,603)	151,850	274,453	SALWAGES	91.67%	251,600
17	Miscellaneous General Expense (Account 930.2)	136,599	125,140	(11,459)	SALWAGES	91.67%	(10,505)
18	Rents (Account 931)	97,250	98,980	1,730	GENLPLT	91.81%	1,588
19	Maintenance of General Plant (Account 935)	509,647	602,217	92,570	GENLPLT	91.81%	84,986
20	Total Administrative & General	\$ 7,185,947	\$ 8,375,658	\$ 1,189,711			\$ 1,090,775
21	<b>Total</b>	<b>\$ 12,156,352</b>	<b>\$ 14,707,768</b>	<b>\$ 2,551,416</b>			<b>\$ 2,372,950</b>

**Sources:**

Line 2: Line 1  
Line 5: line 3 + line 4  
Line 8: line 6 + line 7  
Line 10: line 9  
Line 20: sum of lines 10 through 19  
Line 21: sum of lines 2, 5, 8, 10, and 20  
Column b: Email from Jon Thurber on 10/26/14  
Column c, lines 13-16, & 18: Email from Jon Thurber on 10/26/14  
Column c, lines 1, 3-4, 6-7, 9, 11-12, 17, & 19: Emails from Jon Thurber on 10/26/14 & 11/04/14  
Column d: column c less column b  
Columns e & f: Schedule N-1  
Column g, lines 1, 3, 4, 6, 7, 9, 10-19: column d \* column f

**Note:** Column c is actual costs for the 12 months ended 8/31/14, excluding amounts associated with vegetation management and reflecting annualization for Customer Records and Collection Expenses associated with a change in allocation factors. Also includes 2014 & 2015 wage annualization.

Public Attachment MCC-1

Line	Description	(a)	Total Company Per Books (b)	Total Company Pro Forma (c)	Total Company Adjustment (d)	Allocation Factor (e)	South Dakota Percent (f)	South Dakota Amount (g)
<b>Administrative and General</b>								
1	Administrative & General Salaries (Account 920)		\$ 11,860,034	\$ 12,753,912	\$ 893,878	SALWAGES	91.67%	\$ 819,448
2	Office Supplies and Expenses (Account 921)		2,199,788	2,456,221	256,433	SALWAGES	91.67%	235,099
3	Outside Services (Account 923)		2,083,251	2,101,309	18,058	SALWAGES	91.67%	16,554
4	Property Insurance (Account 924)		825,513	872,884	47,371	TOTPLT	91.20%	43,020
5	Injuries and Damages (Account 925)		1,539,387	1,519,576	(19,811)	SALWAGES	91.67%	(18,161)
6	Employee Pensions and Benefits (Account 926)		20,402	20,653	251	SALWAGES	91.67%	230
7	Miscellaneous General Expense (Account 930.2)		697,959	886,894	(11,285)	SALWAGES	91.67%	(10,327)
8	Rents (Account 931)		451,861	447,788	(3,883)	GENLPLT	91.81%	(3,574)
9	Maintenance of General Plant (Account 935)		739,298	793,315	54,017	GENLPLT	91.81%	49,592
10	<b>Total Administrative &amp; General</b>		<b>\$ 20,417,273</b>	<b>\$ 21,652,132</b>	<b>\$ 1,234,898</b>			<b>\$ 1,131,881</b>

**Sources:**

Line 10: sum of lines 1 through 9  
Column b: BHP Supplemental Response to Staff DR 3-96  
Column c, lines 3-8: BHP Supplemental Response to Staff DR 3-96  
Column c, lines 1-2 & 9: BHP Supplemental Response to Staff DR 3-96 & Email from Jon Thurber on 11/04/14  
Column d: column c less column b  
Columns e & f: Schedule N-1  
Column g, lines 1 through 9: column d + column f

**Note:** Column c is actual costs for the 12 months ended 8/31/14, except for property insurance which is actual costs for October 2014 through September 2015. Also includes 2014 & 2015 wage annualization.

Public Attachment MCC-1

Line	Description (a)	Annual Salary (b)	Annual Benefits (c)	Total Compensation (d)	% O&M (e)	O&M (f)	Allocation Factor (g)	South Dakota Percent (h)	South Dakota Amount (i)
<b>Actual Employees Hired by 10/31/2014</b>									
***Begin Confidential***									
1	Journeyman Line Mechanic								
2	Apprentice Line Mechanic								
3	Apprentice Line Mechanic								
4	Apprentice Electrician								
5	Construction Representative								
6	Construction Representative								
***End Confidential***									
7	<b>Total</b>	<b>\$ 395,750</b>	<b>\$ 257,238</b>	<b>\$ 652,988</b>		<b>\$ 348,306</b>			
8	Distribution Supervision (Account 580)					\$ 47,855	SALWAGDO	93.40%	\$ 44,694.00
9	Distribution Overhead Line Maintenance (Account 593)					148,263	OHDIST	94.85%	140,635
10	Customer Assistance (Account 908)					152,188	CUSTASST	96.12%	146,276
11	<b>Total</b>					<b>\$ 348,306</b>			<b>\$ 331,605</b>

**Sources:**

Line 7: sum of lines 1-6  
Columns b & c, lines 1-6: Email from Jon Thurber on 10/27/2014  
Column d, lines 1-6: sum of lines b and c  
Column e: Email from Jon Thurber on 10/27/2014  
Column f, lines 1-6: column d \* column e  
Column f, lines 8-10: Email from Jon Thurber on 10/30/2014  
Column g, lines 8-10: Schedule N-1, pages 14 & 15  
Column h, lines 8-10: Schedule N-1, pages 25, 28, & 29