

**MONTANA-DAKOTA UTILITIES CO.
ELECTRIC UTILITY - SOUTH DAKOTA
RATE CASE EXPENSE WORKPAPER**

| | Actual EL15-024 | Pro Forma EL23 - |
|---|-----------------------------|-----------------------------|
| Concentric Energy Advisors Inc. (Depreciation and Lead Lag Study) | \$26,985 | \$87,105 |
| The Brattle Group (ROE) | 0 | 205,600 |
| Atrium (Rate Design/ Marginal Cost Study) | 0 | 243,705 |
| AUS Consultants, Inc. (Depreciation) | 1,963 | 0 |
| Legal - May, Adam, Gerdes, & Thompson | 7,758 | 37,500 |
| SD PUC Expense 1/ | 150,066 | 350,000 |
| <u>Montana-Dakota Staff Hearing Expense (12 people)</u> | | |
| Aircraft (Bismarck, ND to Pierre, SD \$550/person) | | \$6,600 |
| Vehicles (4 vehicles @\$0.40/mile) 2/ | | 32 |
| Hotel (Assumes \$150/night for 3 nights each) | \$270 | 5,400 |
| Meals (Assumes \$50/day for 3 days each) | 71 | 1,800 |
| Total | <u>\$341</u> | <u>\$13,832</u> |
| <u>Montana-Dakota Staff Public Input Meeting Expense (6 people)</u> | | |
| Vehicles (2 vehicles @ \$0.40/ mile) 2/ | | \$336 |
| <u>Other</u> | | |
| Federal Express | | \$2,000 |
| Total Rate Case Expense | <u><u>\$187,113</u></u> | <u><u>\$940,078</u></u> |
| 5 year amortization | | \$188,016 |
| Recurring Level of Expense 3/ | | 70 |
| Depreciation Study Expense | | 1,701 |
| Pro Forma Regulatory Commission Expense | | <u><u>\$189,787</u></u> |

1/ Pursuant to Senate Bill 11, the South Dakota Public Utilities Expense Rate has increased to reflect current consultant costs.

2/ Policy AD101.1

| | South Dakota Electric | 2020 | 2021 | 2022 |
|---|--------------------------|-----------------|-----------------|-------------|
| <u>3/ Recurring Level of Regulatory Expense</u> | | | | |
| Subcontract Labor (5211) | \$0 | \$0 | \$0 | \$0 |
| Legal Fees (5222) | 128 | 0 | 128 | 0 |
| Coyote Station Exp. (5260) | 38 | 38 | 0 | 0 |
| Permits & Filing Fees (5913) | 44 | 0 | 0 | 44 |
| Deferred Charge Amort/Depr (5983) | 66,783 | 34,925 | 31,858 | 0 |
| Total | <u>\$66,993</u> | <u>\$34,963</u> | <u>\$31,986</u> | <u>\$44</u> |
| Less: Deferred Charge | 66,783 | | | |
| Total | <u><u>\$210</u></u> | | | |
| 3 Year Average | <u><u>\$70</u></u> | | | |

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| <u>Estimate for Concentric (Depreciation)</u> | Estimated Hours | Rate/hr | Total |
|---|--------------------|---------|-----------------|
| Vice President | 24 | \$575 | 13,800 |
| Consultant | 62 | 350 | 21,700 |
| Analyst | 53 | 280 | 14,840 |
| Associate | 3 | 185 | 555 |
| Project Assistant | 1 | 80 | 80 |
| | <u>143</u> | | <u>\$50,975</u> |

| <u>Estimate for Concentric (Lead/Lag Study)</u> | Estimated Hours | Rate/hr | Total |
|---|--------------------|---------|-----------------|
| Senior Vice President | 24 | \$735 | \$17,640 |
| Senior Consultant | 43 | 430 | 18,490 |
| | <u>67</u> | | <u>\$36,130</u> |

| <u>Estimate for The Brattle Group (ROE)</u> | Estimated Hours | Rate/hr | Total |
|---|--------------------|---------|------------------|
| Principal | 59 | \$675 | \$39,825 |
| Senior Associate | 97 | 575 | 55,775 |
| Associate | 200 | 550 | 110,000 |
| | <u>356</u> | | <u>\$205,600</u> |

| <u>Estimate for Atrium (Rate Design/ Marginal Cost Study)</u> | Estimated Hours | Rate/hr | Total |
|---|--------------------|---------|------------------|
| Managing Partner | 363 | \$385 | \$139,755 |
| Managing Consultant | 297 | 350 | 103,950 |
| | <u>660</u> | | <u>\$243,705</u> |

| | | | |
|--|-----|-------|----------|
| <u>Estimate for May, Adam, Gerdes & Thompson</u> | 150 | \$250 | \$37,500 |
|--|-----|-------|----------|

| | | | |
|--|----------------|--|--|
| Electric Depreciation Study 1/ | \$143,813 | | |
| SD Factor 39 - Electric Plant Excl Common GO | 5.176039% | | |
| Allocated to SD Electric | <u>\$7,444</u> | | |

| | | | |
|---|----------------|--|--|
| Common Depreciation Study | \$41,366 | | |
| Utility Factor 26 - Common Plant | 53.691350% | | |
| Jurisdictional Factor 220 - SD Common Plant | 4.766748% | | |
| Allocated to SD Electric | <u>\$1,059</u> | | |

| | | | |
|----------------------------------|----------------|--|--|
| Total Depreciation Study Expense | <u>\$8,503</u> | | |
| 5 Year Average | <u>\$1,701</u> | | |

1/ Costs Incurred in 2021.