

Black Hills Power, Inc.
Cost of Service Model Description

Schedule J-1

20:10:13:87. Schedule J-1 -- Expense charged other than prescribed depreciation.

Schedule J-1 shall be included in support of statement J as a reconciliation of the aggregate investment in electric or gas plants shown in statement D, and the expense thereon charged in the first instance to other than prescribed depreciation expense accounts.

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

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

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

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENT
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

COST OF SERVICE STUDY
Schedule J-1

(a)	(b)	(c)	(d)	(e)
Line No.	Description	Adjusted Plant in Service (Sched D-3 pg. 1 Col. o + Sched D-3 pg. 2 Col. o + Sched D-1 Col. G + Sched D-1 Col. h + Sched D-1 Col. e + Sched D-1 Col. f)	Depreciation Rate Note (2)	Depreciation Expense
1 Intangible Plant				
2	30100 - Intangible - Organization	\$ -	0.00%	\$ -
3	30200 - Intangible - Franchises & consents	-	0.00%	-
4	30300 - Intangible - Miscellaneous	-	0.00%	-
5	30305 - Intangible - Cloud Computing - Note (1)	718,118	20.00%	143,624
6	Subtotal Intangible Plant	\$ 718,118		\$ 143,624
8 Steam Production Plant				
9	31001 - Steam - Land	114,345	0.00%	-
10	31002 - Steam - Land Rights	116,451	0.00%	-
11	31100 - Steam - Structures & Improvements - Ben French	-	0.00%	-
12	31100 - Steam - Structures & Improvements - Wygen III	11,239,990	2.70%	303,480
13	31100 - Steam - Structures & Improvements - Neil Simpson II	41,698,787	3.98%	1,659,612
14	31100 - Steam - Structures & Improvements - Neil Simpson I	-	0.00%	-
15	31100 - Steam - Structures & Improvements - Osage	-	0.00%	-
16	31100 - Steam - Structures & Improvements - Wyodak	9,102,799	0.15%	13,654
17	31105 - Steam - Land Improvements - Ben French	-	0.00%	-
18	31105 - Steam - Land Improvements - Neil Simpson II	-	0.00%	-
19	31105 - Steam - Land Improvements - Wygen III	-	0.00%	-
20	31201 - Steam - Boiler Plant Equipment - Ben French	-	0.00%	-
21	31201 - Steam - Boiler Plant Equipment - Wygen III	64,535,453	3.12%	2,013,506
22	31201 - Steam - Boiler Plant Equipment - Neil Simpson II	133,036,693	4.19%	5,574,237
23	31201 - Steam - Boiler Plant Equipment - Osage	-	0.00%	-
24	31201 - Steam - Boiler Plant Equipment - Wyodak	89,920,374	4.39%	3,947,504
25	31202 - Steam - Boiler Pollution Control - Neil Simpson II	-	0.00%	-
26	31202 - Steam - Boiler Pollution Control - Wygen III	-	0.00%	-
27	31300 - Steam - Generators - Wyodak	598,823	3.98%	23,833
28	31400 - Steam - Turbogén Units - Ben French	-	0.00%	-
29	31400 - Steam - Turbogén Units - Wygen III	63,127,139	3.18%	2,007,443
30	31400 - Steam - Turbogén Units - Neil Simpson II	46,958,048	4.29%	2,014,500
31	31400 - Steam - Turbogén Units - Neil Simpson I	-	0.00%	-
32	31400 - Steam - Turbogén Units - Osage	-	0.00%	-
33	31400 - Steam - Turbogén Units - Wyodak	14,244,968	4.56%	649,571
34	31500 - Steam - Accessory Electric Equipment - Ben French	-	0.00%	-
35	31500 - Steam - Accessory Electric Equipment - Wygen III	5,701,489	2.75%	156,791
36	31500 - Steam - Accessory Electric Equipment - Neil Simpson II	7,362,792	3.44%	253,280
37	31500 - Steam - Accessory Electric Equipment - Neil Simpson I	-	0.00%	-
38	31500 - Steam - Accessory Electric Equipment - Osage	-	0.00%	-
39	31500 - Steam - Accessory Electric Equipment - Wyodak	7,535,143	2.14%	161,252
40	31510 - Steam - Computer Hardware	94,532	20.00%	18,906
41	31510 - Steam - Computer Hardware - Neil Simpson II	1,669,447	20.00%	333,889
42	31520 - Steam - Computer Software	22,084	20.00%	4,417
43	31520 - Steam - Computer Software - Neil Simpson II	880,816	20.00%	176,163
44	31530 - Steam - Communication Equipment	448,281	5.00%	22,414
45	31530 - Steam - Communication Equipment - Neil Simpson II	457,648	5.00%	22,882
46	31600 - Steam - Miscellaneous - Ben French	-	0.00%	-
47	31600 - Steam - Miscellaneous - Wygen III	112,925	3.76%	4,246
48	31600 - Steam - Miscellaneous - Neil Simpson II	1,678,623	4.51%	75,706
49	31600 - Steam - Miscellaneous - Neil Simpson I	-	0.00%	-
50	31600 - Steam - Miscellaneous - Osage	-	0.00%	-
51	31600 - Steam - Miscellaneous - Wyodak	1,790,817	6.85%	122,671
52	Subtotal Steam Production Plant	\$ 502,448,467		\$ 19,559,959

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(a)	(b)	(c)	(d)	(e)
Line No.	Description	Adjusted Plant in Service (Sched D-3 pg. 1 Col. o + Sched D-3 pg. 2 Col. o + Sched D-1 Col. G + Sched D-1 Col. h + Sched D-1 Col. e + Sched D-1 Col. D)	Depreciation Rate Note (2)	Depreciation Expense
53				
54	Wind Production Plant			
55	33821 - Wind - Structures - Corriedale	3,455,800	4.39%	151,710
56	33823 - Wind - Wind Turbines	29,727,599	4.37%	1,299,096
57	33824 - Wind - Wind Tower	12,779,716	4.31%	550,806
58	33826 - Wind - Collector System	3,192,515	4.54%	144,940
59	33832 - Wind - Communications Equipment	33,402	5.00%	1,670
60	Subtotal Wind Production Plant	\$ 49,189,032		\$ 2,148,222
61				
62	Other Production Plant			
63	34001 - Land	1,773,234	0.00%	-
64	34100 - Structures - Cheyenne Prairie	5,932,489	3.03%	179,754
65	34100 - Structures - Neil Simpson	392,935	3.30%	12,967
66	34100 - Structures - Ben French Diesel # 1 - 5	-	0.00%	-
67	34100 - Structures - Ben French CTs # 1 - 4	1,458,009	5.03%	73,338
68	34100 - Structures - Lange I CT	891,230	3.56%	31,728
69	34100 - Structures - Lange II RICE	-	3.52%	-
70	34100 - Structures - Corriedale	-	0.00%	-
71	34200 - Other Fuel Holders & Accessories - Cheyenne Prairie	1,564,595	3.06%	47,877
72	34200 - Other Fuel Holders & Accessories - Neil Simpson	1,377,505	4.59%	63,227
73	34200 - Other Fuel Holders & Accessories - Ben French Diesel #1 - 5	101,225	7.71%	7,804
74	34200 - Other Fuel Holders & Accessories - Ben French CTs #1 - 4	1,971,329	7.79%	153,567
75	34200 - Other Fuel Holders & Accessories - Lange I CT	1,530,188	2.83%	43,304
76	34200 - Other Fuel Holders & Accessories - Lange II RICE	-	3.65%	-
77	34300 - Prime Movers	-	0.00%	-
78	34410 - Generators - Cheyenne Prairie	34,180,517	3.06%	1,045,924
79	34410 - Generators - Neil Simpson	43,703,450	3.24%	1,415,992
80	34410 - Generators - Ben French Diesel #1 - 5	2,130,862	6.55%	139,571
81	34410 - Generators - Ben French CTs #1 - 4	18,782,757	4.31%	809,537
82	34410 - Generators - Corriedale	-	4.37%	-
83	34410 - Generators - Lange I CT	30,589,889	2.98%	911,579
84	34410 - Generators - Lange II RICE	-	3.65%	-
85	34420 - Generators - Rotatable - Cheyenne Prairie	58,736,877	14.23%	8,358,258
86	34500 - Accessory Electric Equipment - Cheyenne Prairie	13,593,410	3.10%	421,396
87	34500 - Accessory Electric Equipment - Neil Simpson	2,164,052	3.62%	78,339
88	34500 - Accessory Electric Equipment - Ben French Diesel #1 - 5	136,993	9.18%	12,576
89	34500 - Accessory Electric Equipment - Ben French CTs #1-4	849,858	7.38%	62,719
90	34500 - Accessory Electric Equipment - Corriedale	-	0.00%	-
91	34500 - Accessory Electric Equipment - Lange I CT	2,374,161	3.73%	88,556
92	34500 - Accessory Electric Equipment - Lange II RICE	-	3.65%	-
93	34510 - Computer Hardware	318,459	20.00%	63,692
94	34520 - Computer Software	373,834	20.00%	74,767
95	34530 - Communications Equipment - Cheyenne Prairie	50,442	5.00%	2,522
96	34530 - Communications Equipment - Neil Simpson	3,855	5.00%	193
97	34530 - Communications Equipment - Ben French Diesel #1 - 5	-	5.00%	-
98	34530 - Communications Equipment - Ben French CTs #1-4	-	5.00%	-
99	34530 - Communications Equipment - Lange I CT	-	5.00%	-
100	34530 - Communications Equipment - Lange II RICE	-	3.65%	-
101	34530 - Communications Equipment	-	5.00%	-
102	34534 - Accessory Electric Equipment - Corriedale	-	5.00%	-
103	34600 - Miscellaneous Power Plant Equipment - Cheyenne Prairie	23,002	3.41%	784
104	34600 - Miscellaneous Power Plant Equipment - Neil Simpson	809,872	4.19%	33,934
105	34600 - Miscellaneous Power Plant Equipment - Ben French Diesel #1 - 5	-	0.00%	-
106	34600 - Miscellaneous Power Plant Equipment - Ben French CTs #1 - 4	168,787	2.37%	4,000
107	34600 - Miscellaneous Power Plant Equipment - Lange I CT	29,907	3.56%	1,065
108	34600 - Miscellaneous Power Plant Equipment - Lange II RICE	-	3.84%	-
109	Subtotal Other Production Plant	\$ 226,013,720		\$ 14,138,969

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110				
111	Transmission Plant			
112	35001 - Transmission Land	39,051	0.00%	-
113	35002 - Transmission Land Rights	558,059	0.00%	-
114	35130 - Transmission Communication Equipment	1,094,627	5.00%	54,731
115	35200 - Transmission Structures & Improvements	63,105	2.01%	1,268
116	35205 - Transmission Land Improvements	1,729	1.91%	33
117	35300 - Transmission Sub-Station Equipment	1,935,107	2.18%	42,185
118	35300 - Transmission Sub-Station Equipment - CORRIEDALE	-	0.00%	-
119	35301 - Transmission Station Equipment - GSU	3,952,798	2.90%	114,631
120	35301 - Transmission Station Equipment - GSU - Wygen II	-	2.90%	-
121	35301 - Transmission Station Equipment - GSU - CPGS Combined Cycle	674,814	2.90%	19,570
122	35301 - Transmission Station Equipment - GSU - CPGS Simple Cycle	-	2.90%	-
123	35301 - Transmission Station Equipment - GSU - CORRIEDALE	-	2.90%	-
124	35400 - Transmission Poles & Fixtures	27,942	1.60%	447
125	35500 - Transmission Towers & Fixtures	6,876,126	3.11%	213,848
126	35500 - Transmission Towers & Fixtures - CORRIEDALE	-	0.00%	-
127	35600 - Transmission Overhead Conductors	5,558,025	2.84%	157,848
128	35600 - Transmission Overhead Conductors - CORRIEDALE	-	0.00%	-
129	35900 - Transmission	414	1.56%	6
130	Subtotal Transmission Plant	\$ 20,781,798		\$ 604,568
131				
132	Distribution Plant			
133	36001 - Distribution Land	1,566,341	0.00%	-
134	36002 - Distribution Land Rights	1,645,864	0.00%	-
135	36100 - Distribution Structures and Improvements	2,165,168	2.76%	59,759
136	36105 - Distribution Land Improvements	188,197	2.23%	4,197
137	36200 - Distribution Sub-Station Equipment	120,834,402	2.30%	2,779,191
138	36330 - Communication Equipment	2,943,437	5.00%	147,172
139	36400 - Poles, Towers, and Fixtures	136,555,108	3.78%	5,161,783
140	36500 - Overhead Conductors and Devices	74,806,400	2.57%	1,922,524
141	36600 - Underground Conduit	30,892,426	3.32%	1,025,629
142	36700 - Underground Conductors and Devices	97,185,009	2.81%	2,730,899
143	36801 - Line Transformers - Other Equipment	11,774,758	2.92%	343,823
144	36802 - Line Transformers - Conventional	19,455,827	3.42%	665,389
145	36803 - Line Transformers - Pad mount	52,575,889	2.83%	1,487,898
146	36901 - Services - Overhead	11,488,087	2.43%	279,161
147	36902 - Services - Underground	35,079,886	2.49%	873,489
148	37001 - Meters	3,553,565	7.37%	261,898
149	37004 - Meters - AMI	12,023,395	11.02%	1,324,978
150	37100 - Installations on Customers' Premises	3,450,963	2.58%	89,035
151	37300 - Street Lighting and Signal Systems	3,587,622	4.48%	160,725
152	Subtotal Distribution Plant	\$ 621,772,345		\$ 19,317,549

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153				
154	General Plant			
155	38901 - Land and Land Rights	5,129,230	0.00%	-
156	39001 - Structures and Improvements	79,941,343	1.43%	1,143,161
157	39001 - General Structures and Improvements - Common	-	0.00%	-
158	39005 - General Land Improvements	3,568,507	2.82%	100,632
159	39005 - General Land Improvements - Common	-	0.00%	-
160	39051 - Structures and Improvements - Leased	-	0.00%	-
161	39101 - Office Furniture and Equipment	2,371,603	5.00%	118,580
162	39103 - Computer Hardware	(113,389)	20.00%	(22,678)
163	39104 - Computer Software	813,514	20.00%	162,703
164	39104 - Computer Software - Common	-	20.00%	-
165	39107 - Ipad Hardware	-	20.00%	-
166	39108 - Furniture & Equipment - Horizon Point	7,444,045	14.29%	1,063,754
167	39201 - Transportation Equipment - Subunit	651,978	11.44%	74,586
168	39202 - Transportation Equipment - Cars	120,102	6.61%	7,939
169	39203 - Transportation Equipment - Light Trucks	5,196,448	6.99%	363,232
170	39204 - Transportation Equipment - Medium Trucks	4,478,290	7.42%	332,289
171	39205 - Transportation Equipment - Heavy Trucks	13,696,493	9.26%	1,268,295
172	39206 - Transportation Equipment - Trailers	4,858,594	7.73%	375,569
173	39300 - Stores Equipment	196,834	5.00%	9,842
174	39400 - Tools, Shop and Garage Equipment	3,467,499	4.00%	138,700
175	39410 - Vehicles - Tools and Shop Equipment	165,276	4.00%	6,611
176	39500 - Laboratory Equipment	583,270	4.00%	23,331
177	39601 - Power Operated Equipment - Short-Life	912,816	6.66%	60,794
178	39602 - Power Operated Equipment - Long-Life	3,091,972	6.66%	205,925
179	39700 - Communication Equipment	(356,539)	5.00%	(17,827)
180	39701 - Computer Hardware	3,225,153	20.00%	645,031
181	39702 - Computer Software	173,233	20.00%	34,647
182	39703 - Communication Equipment	2,189,014	5.00%	109,451
183	39710 - Communication Equipment - Towers	2,208,152	5.43%	119,903
184	39800 - Miscellaneous Equipment	287,438	5.00%	14,372
185	39808 - Miscellaneous Equipment - Horizon Point	1,149,952	14.29%	164,328
186	Subtotal General Plant	\$ 145,450,830		\$ 6,503,169
187				
188	Plant Acquisition Adjustment			
189	114 - Plant Acquisition Adjustment - Note (3)	4,870,309	SL	96,421
190	Total Plant Acquisition Adjustment	\$ 4,870,309		\$ 96,421
191				
192	Other Utility Plant			
193	118 - BHSC Allocated Plant - Other Utility Plant (Customer)	2,197,608	10.60%	232,910
194	118 - BHSC Allocated Plant - Other Utility Plant	30,792,994	12.53%	3,858,630
195	Subtotal Other and Non-Utility Plant	\$ 32,990,603		\$ 4,091,540
196				
197	Total Electric Plant in Service	\$ 1,604,235,221		\$ 66,604,020

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198				
199				
200	Fleet Depreciation Accounts			
201	39201 - Transportation Equipment - Subunit	651,978	11.44%	74,586
202	39202 - Transportation Equipment - Cars	120,102	6.61%	7,939
203	39203 - Transportation Equipment - Light Trucks	5,196,448	6.99%	363,232
204	39204 - Transportation Equipment - Medium Trucks	4,478,290	7.42%	332,289
205	39205 - Transportation Equipment - Heavy Trucks	13,696,493	9.26%	1,268,295
206	39206 - Transportation Equipment - Trailers	4,858,594	7.73%	375,569
207	39601 - Power Operated Equipment - Short-Life	912,816	6.66%	60,794
208	39602 - Power Operated Equipment - Long-Life	3,091,972	6.66%	205,925
209	Subtotal Fleet Depreciation Accounts	\$ 33,006,695		\$ 2,688,629

210
211 Note (1) Straight line asset that uses a 5 year life.
212 Note (2) Depreciation rates as recommended in the depreciation study by Gannett Fleming and discussed in the Direct Testimony of Mr. John J. Spanos.
213 Note (3) Straight Line Asset Amortized over 386 months.