

Black Hills Power, Inc.  
Cost of Service Model Description

## Schedule K-2

**20:10:13:90. Schedule K-2 -- Differences in book and tax depreciation.** If tax depreciation differs from book depreciation, the utility shall file schedule K-2 showing the computation of the tax depreciation which will indicate the differences between book and tax depreciation on a straightline basis, and differences arising from class life (ADR) depreciation, and the excess of liberalized depreciation and amortization of emergency facilities over straightline depreciation for tax purposes for the taxable year or years.

**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** **COST OF SERVICE STUDY**  
**DIFFERENCES IN BOOK AND TAX DEPRECIATION** **Schedule K-2**  
**FOR THE PERIOD ENDED DECEMBER 31, 2025**

(a)	(b)	(c)	(d)
Line No.	Description	Reference	Amount
1	Bonus Depreciation		\$ -
2	Current Year MACRS Declining Balance		2,419,869
3	Current Year MACRS Straight Line		490,480
4	ACRS and Other		84,776
5	Amortization		2,366,574
6	Prior Years MACRS		42,514,074
7	Listed Property		3,550
8	<b>Tax Depreciation</b>	Sum Ln. (1 - 7)	<b>\$ 47,879,323</b>
9			
10	Book Depreciation		48,094,558
11			
12	<b>Excess Tax Over Book Depreciation</b>	Ln. 8 - Ln. 10	<b>\$ (215,235)</b>