

<b>BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY</b>	<b>COST OF SERVICE STUDY</b>
<b>CALCULATION OF NET OPERATING LOSS</b>	<b>Schedule M-4</b>
<b>FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026</b>	

(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Reference	With Accelerated Depreciation	Without Accelerated Depreciation	Adjustment to Rate Base
1	<b>Adjusted Pretax Income</b>				
2	Utility Op Income	Stmt M, Ln. 12	\$ 75,590,442	\$ 75,590,442	
3	Less synchronized interest	Stmt K, Ln. 88	(23,777,674)	(23,777,674)	
4	<b>Adjusted Pretax Income</b>		<b>\$ 51,812,768</b>	<b>\$ 51,812,768</b>	
5					
6	<b>Permanent and Temporary Differences</b>				
7	Book & Tax Difference Accelerated Depreciation		2,649,730	-	
8	Other Perm Differences	Stmt K, Ln. 13	115,443	115,443	
9	Other Temp Differences on Stmt K	Stmt K, Ln. 54 - Ln. 7	(7,178,559)	(7,178,559)	
10	<b>Total Permanent and Temporary Differences</b>		<b>\$ (4,413,386)</b>	<b>\$ (7,063,116)</b>	
11					
12	<b>Taxable Income / (NOL)</b>	Ln. 4 + Ln. 10	<b>\$ 47,399,382</b>	<b>\$ 44,749,652</b>	
13					
14	<b>DTA-NOL Federal change for Pro Forma Period Ending 9/30/2026</b>	Ln. 12 x (-Fed Rate)	<b>\$ (9,953,870)</b>	<b>\$ (9,397,427)</b>	<b>\$ (9,953,870)</b>
15					
16	190300.DT4165 DTA LT - NOL Carryforward as of 9/30/2025	Sched M-2, Ln. 21			-
17	<b>DTA-NOL Federal change for Pro Forma Period Ending 9/30/2026</b>				<b>1</b>
18					
19	<b>DTA-NOL as of 9/30/2026</b>				<b>\$ (9,953,869)</b>