

**BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY**  
**REMOVAL OF TRANSMISSION RECOVERED UNDER FERC RATES**  
**FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026**

**COST OF SERVICE STUDY**  
**Statement T**

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	DC Tie Transmission Related Amount to Remove Sched T-1	CUS Transmission Related Amount to Remove Sched T-2	Total Transmission Related Amounts Removed
1	<b>GROSS PLANT IN SERVICE</b>			
2	<b>TRANSMISSION PLANT</b>			
3	35001 - Transmission Land	\$ (236,040)	\$ (613,240)	\$ (849,280)
4	35002 - Transmission Land Rights	(127,145)	(8,763,532)	(8,890,677)
5	35130 - Transmission Communication Equipment	(208,112)	(1,879,317)	(2,087,429)
6	35200 - Transmission Structures & Improvements	(917,948)	(990,958)	(1,908,906)
7	35205 - Transmission Land Improvements	(26,831)	(27,157)	(53,987)
8	35300 - Transmission Sub-Station Equipment	(22,373,808)	(45,922,211)	(68,296,019)
9	35300 - Transmission Sub-Station Equipment - CORRIEDALE	-	-	-
10	35301 - Transmission Station Equipment - GSU	-	-	-
11	35301 - Transmission Station Equipment - GSU - Wygen II	-	-	-
12	35301 - Transmission Station Equipment - GSU - CPGS Combined Cycle	-	-	-
13	35301 - Transmission Station Equipment - GSU - CPGS Simple Cycle	-	-	-
14	35301 - Transmission Station Equipment - GSU - CORRIEDALE	-	-	-
15	35400 - Transmission Poles & Fixtures	(398,101)	(438,783)	(836,884)
16	35500 - Transmission Towers & Fixtures	-	(109,425,825)	(109,425,825)
17	35500 - Transmission Towers & Fixtures - CORRIEDALE	-	-	-
18	35600 - Transmission Overhead Conductors	(232,137)	(87,821,494)	(88,053,631)
19	35600 - Transmission Overhead Conductors - CORRIEDALE	-	-	-
20	35900 - Transmission	-	(6,506)	(6,506)
21	<b>Total Transmission Plant</b>	<b>\$ (24,520,122)</b>	<b>\$ (255,889,023)</b>	<b>\$ (280,409,146)</b>
22				
23	<b>GENERAL PLANT</b>			
24	38901 - Land and Land Rights	(25,792)	-	(25,792)
25	39001 - Structures and Improvements	(417,227)	(3,312,785)	(3,730,012)
26	39001 - General Structures and Improvements - Common	-	-	-
27	39005 - General Land Improvements	(17,947)	(651)	(18,598)
28	39005 - General Land Improvements - Common	-	-	-
29	39051 - Structures and Improvements - Leased	-	-	-
30	39101 - Office Furniture and Equipment	(13,569)	(316,588)	(330,157)
31	39103 - Computer Hardware	(7,215)	(139,678)	(146,893)
32	39104 - Computer Software	(2,576)	(65,814)	(68,390)
33	39104 - Computer Software - Common	-	-	-
34	39107 - Ipad Hardware	-	-	-
35	39108 - Furniture & Equipment - Horizon Point	(37,432)	-	(37,432)
36	39201 - Transportation Equipment - Subunit	(3,463)	(88,483)	(91,946)
37	39202 - Transportation Equipment - Cars	(2,106)	(53,828)	(55,934)
38	39203 - Transportation Equipment - Light Trucks	(27,417)	(700,612)	(728,030)
39	39204 - Transportation Equipment - Medium Trucks	(24,596)	(628,514)	(653,110)
40	39205 - Transportation Equipment - Heavy Trucks	(80,282)	(2,051,517)	(2,131,799)
41	39206 - Transportation Equipment - Trailers	(25,718)	(657,198)	(682,916)
42	39300 - Stores Equipment	(1,022)	(26,123)	(27,145)
43	39400 - Tools, Shop and Garage Equipment	(19,845)	(507,113)	(526,958)
44	39410 - Vehicles - Tools and Shop Equipment	(954)	(24,368)	(25,322)
45	39500 - Laboratory Equipment	(3,376)	(86,270)	(89,646)
46	39601 - Power Operated Equipment - Short-Life	(5,267)	(134,586)	(139,853)
47	39602 - Power Operated Equipment - Long-Life	(17,891)	(457,189)	(475,080)
48	39700 - Communication Equipment	(5,133)	(351,406)	(356,539)
49	39701 - Computer Hardware	(15,505)	(823,757)	(839,262)
50	39702 - Computer Software	(1,328)	(90,929)	(92,257)
51	39703 - Communication Equipment	(9,992)	(683,979)	(693,971)
52	39710 - Communication Equipment - Towers	(16,981)	(1,162,426)	(1,179,407)
53	39800 - Miscellaneous Equipment	(1,671)	(42,970)	(44,641)
54	39808 - Miscellaneous Equipment - Horizon Point	(5,735)	-	(5,735)
55	<b>Total General Plant</b>	<b>\$ (790,039)</b>	<b>\$ (12,406,786)</b>	<b>\$ (12,406,786)</b>
56				
57	118 - BHSC Allocated Plant - Other Utility Plant (Customer)	(13,348)	(339,356)	(352,704)
58	118 - BHSC Allocated Plant - Other Utility Plant (Blended)	(173,599)	(4,413,452)	(4,587,051)
59	<b>Total Other Utility Plant</b>	<b>\$ (186,947)</b>	<b>\$ (4,752,808)</b>	<b>\$ (4,939,755)</b>
60				
61	<b>Total Gross Plant Removed</b>	<b>\$ (25,497,108)</b>	<b>\$ (273,048,617)</b>	<b>\$ (297,755,686)</b>
62				
63	<b>ACCUMULATED DEPRECIATION</b>			
64	<b>TRANSMISSION PLANT</b>			
65	35001 - Transmission Land	-	-	-
66	35002 - Transmission Land Rights	-	-	-
67	35130 - Transmission Communication Equipment	(103,430)	(734,087)	(837,517)
68	35200 - Transmission Structures & Improvements	(404,052)	(577,942)	(981,993)

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Line No.	Account and Description	DC Tie Transmission Related Amount to Remove Sched T-1	CUS Transmission Related Amount to Remove Sched T-2	Total Transmission Related Amounts Removed
69	35205 - Transmission Land Improvements	(182)	(4,566)	(4,748)
70	35300 - Transmission Sub-Station Equipment	(8,207,526)	(15,062,125)	(23,269,651)
71	35300 - Transmission Sub-Station Equipment - CORRIEDALE	-	(236,749)	(236,749)
72	35301 - Transmission Station Equipment - GSU	-	-	-
73	35301 - Transmission Station Equipment - GSU -Wygen II	-	-	-
74	35301 - Transmission Station Equipment - GSU - CPGS Combined Cycle	-	-	-
75	35301 - Transmission Station Equipment - GSU - CPGS Simple Cycle	-	-	-
76	35301 - Transmission Station Equipment - GSU - CORRIEDALE	-	-	-
77	35400 - Transmission Poles & Fixtures	(189,995)	(186,061)	(376,056)
78	35500 - Transmission Towers & Fixtures	-	(18,124,065)	(18,124,065)
79	35500 - Transmission Towers & Fixtures - CORRIEDALE	-	(20,342)	(20,342)
80	35600 - Transmission Overhead Conductors	(50,892)	(8,917,531)	(8,968,424)
81	35600 - Transmission Overhead Conductors - CORRIEDALE	-	(20,342)	(20,342)
82	35900 - Transmission Roads & Trails	-	(4,300)	(4,300)
83	<b>Total Transmission Plant</b>	<b>\$ (8,956,078)</b>	<b>\$ (43,888,110)</b>	<b>\$ (52,844,188)</b>
84				
85	<b>GENERAL PLANT</b>			
86	38901 - Land and Land Rights	-	-	-
87	39001 - Structures and Improvements	(76,670)	(1,124,567)	(1,201,236)
88	39001 - General Structures and Improvements - Common	-	-	-
89	39005 - General Land Improvements	(2,284)	(8,959)	(11,243)
90	39005 - General Land Improvements - Common	-	-	-
91	39051 - Structures and Improvements - Leased	(1)	(13)	(14)
92	39101 - Office Furniture and Equipment	(8,798)	(222,520)	(231,318)
93	39103 - Computer Hardware	(1,467)	(31,925)	(33,393)
94	39104 - Computer Software	(1,192)	(30,426)	(31,618)
95	39104 - Computer Software - Common	-	-	-
96	39107 - Ipad Hardware	786	20,061	20,847
97	39108 - Furniture & Equipment - Horizon Point	(42,766)	(131,690)	(174,456)
98	39201 - Transportation Equipment - Subunit	(494)	(12,616)	(13,111)
99	39202 - Transportation Equipment - Cars	(261)	(6,655)	(6,915)
100	39203 - Transportation Equipment - Light Trucks	(7,063)	(180,238)	(187,301)
101	39204 - Transportation Equipment - Medium Trucks	(4,002)	(102,131)	(106,133)
102	39205 - Transportation Equipment - Heavy Trucks	(10,453)	(266,743)	(277,196)
103	39206 - Transportation Equipment - Trailers	(4,395)	(112,154)	(116,549)
104	39300 - Stores Equipment	(471)	(12,013)	(12,484)
105	39400 - Tools, Shop and Garage Equipment	(8,192)	(209,026)	(217,217)
106	39410 - Vehicles - Tools and Shop Equipment	255	6,499	6,754
107	39500 - Laboratory Equipment	(1,450)	(37,011)	(38,461)
108	39601 - Power Operated Equipment - Short-Life	149	3,795	3,944
109	39602 - Power Operated Equipment - Long-Life	(1,875)	(47,853)	(49,728)
110	39700 - Communication Equipment	(2,869)	(193,712)	(196,580)
111	39701 - Computer Hardware	(4,647)	(242,249)	(246,896)
112	39702 - Computer Software	(133)	(8,970)	(9,103)
113	39703 - Communication Equipment	(6,118)	(413,119)	(419,236)
114	39710 - Communication Equipment - Towers	(6,751)	(455,917)	(462,668)
115	39800 - Miscellaneous Equipment	(478)	(12,362)	(12,839)
116	39808 - Miscellaneous Equipment - Horizon Point	(5,744)	(21,838)	(27,582)
117	<b>Total General Plant</b>	<b>\$ (197,386)</b>	<b>\$ (3,854,348)</b>	<b>\$ (4,051,735)</b>
118				
119	119 - BHSC Allocated Plant - Other Utility Plant (Customer)	(4,535)	(115,296)	(119,831)
120	119 - BHSC Allocated Plant - Other Utility Plant	(71,302)	(1,812,730)	(1,884,032)
121	<b>Total Other Utility Plant</b>	<b>\$ (75,837)</b>	<b>\$ (1,928,026)</b>	<b>\$ (2,003,863)</b>
122				
123	<b>Total Gross Accumulated Depreciation Removed</b>	<b>\$ (9,229,301)</b>	<b>\$ (49,670,484)</b>	<b>\$ (58,899,785)</b>

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Line No.	Account and Description	DC Tie Transmission Related Amount to Remove Sched T-1	CUS Transmission Related Amount to Remove Sched T-2	Total Transmission Related Amounts Removed
124				
125				
126	<b>ADJUSTMENTS TO RATE BASE</b>			
127	Account No. 190	(649,797)	(2,637,753)	(3,287,551)
128	Account No. 282	6,770,785	27,484,973	34,255,757
129	Account No. 283	140,130	568,838	708,968
130	FAS 109 Adjustment	1,140,549	9,763,593	10,904,142
131	Allocated BHSC ADIT and EDIT	134,057	544,186	678,243
132	<b>TOTAL ADJUSTMENTS TO RATE BASE</b>	<b>\$ 7,535,724</b>	<b>\$ 35,723,836</b>	<b>\$ 43,259,560</b>
133				
134	<b>WORKING CAPITAL</b>			
135	Cash Working Capital	(37,924)	(933,417)	(971,341)
136	Materials & Supplies	-	(3,338,805)	(3,338,805)
137	Materials & Supplies	(1,906,378)	(145,427)	(2,051,806)
138	Prepayments (Account 165)	(75,314)	(388,701)	(464,015)
139	<b>TOTAL WORKING CAPITAL</b>	<b>\$ (2,019,616)</b>	<b>\$ (4,806,350)</b>	<b>\$ (6,825,967)</b>
140				
141	<b>Total Rate Base</b>	<b>\$ (10,751,699)</b>	<b>\$ (192,460,647)</b>	<b>\$ (202,422,307)</b>
142				
143	<b>Operating &amp; Maintenance Expenses</b>			
144	560 - Supervision & Engineering	-	(566,903)	(566,903)
145	561 - Load Dispatch	(44,712)	(3,679,090)	(3,723,802)
146	562 - Station Equipment	(61,643)	(367,782)	(429,425)
147	563 - Overhead Lines	-	(1,119)	(1,119)
148	564 - Underground Lines	-	-	-
149	565 - Transmission of Electricity by Others	-	-	-
150	566 - Miscellaneous	-	(996,780)	(996,780)
151	567 - Rents	-	(64,275)	(64,275)
152	568 - Supervision & Engineering	-	-	-
153	569 - Structures	-	(62,639)	(62,639)
154	570 - Station Equipment	2,357	(164,460)	(162,104)
155	571 - Overhead Lines	-	(174,164)	(174,164)
156	572 - Underground Lines	-	-	-
157	575 - SPP/WEIS Administrative Costs	-	-	-
158	920 - Administrative and general salaries	(87,508)	(2,224,736)	(2,312,244)
159	921 - Office supplies and expenses	(21,510)	(546,860)	(568,370)
160	922 - Administrative expenses transferred - Credit	16,984	431,795	448,780
161	923 - Outside services employed	(14,697)	(373,647)	(388,344)
162	924 - Property insurance	(10,755)	(273,433)	(284,188)
163	925 - Injuries and damages	(25,605)	(650,969)	(676,575)
164	926 - Employee pensions and benefits	(41,657)	(1,059,046)	(1,100,703)
165	928 - Regulatory commission expenses	(4,371)	(111,118)	(115,489)
166	929 - Duplicate Charges	3,651	92,825	96,477
167	930.1 - General advertising expenses	(69)	(1,762)	(1,831)
168	930.2 - Miscellaneous general expenses	(5,149)	(130,912)	(136,062)
169	931 - Rents	(8,707)	(221,349)	(230,055)
170				
171	<b>Total O&amp;M</b>	<b>\$ (303,391)</b>	<b>\$ (11,146,424)</b>	<b>\$ (11,449,815)</b>
172				
173	<b>Taxes Other Than Income Taxes</b>			
174	FICA Tax	(10,543)	(268,040)	(278,583)
175	Federal Unemployment Tax	(47)	(1,190)	(1,237)
176	State Unemployment Tax	21	546	567
177	Property Taxes	(266,079)	(1,373,254)	(1,639,333)
178	<b>Total Taxes Other Than Income Taxes</b>	<b>\$ (276,648)</b>	<b>\$ (1,641,937)</b>	<b>\$ (1,918,585)</b>