

**BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY  
OPERATIONS AND MAINTENANCE EXPENSE BY MONTH  
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026**

**COST OF SERVICE STUDY  
Worksheet 1**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
Line No.	Account and Description	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Total
1	<b>Operation and Maintenance Expenses</b>													
2	<b>Production Expenses</b>													
3	<b>Steam Production - Operation</b>													
4	500 - Supervision & Engineering	\$ 148,647	\$ 117,279	\$ 125,485	\$ 127,957	\$ 138,065	\$ 140,348	\$ 124,956	\$ 146,754	\$ 197,794	\$ 105,920	\$ 151,303	\$ 169,201	\$ 1,693,709
5	501 - Fuel	2,314,187	2,005,756	1,943,917	2,246,089	1,472,089	1,516,386	1,543,205	1,474,130	1,896,484	1,719,425	1,510,577	1,773,666	21,415,913
6	502 - Steam Expense	134,187	75,218	187,263	103,778	75,839	80,115	82,039	96,675	92,325	95,990	65,744	89,636	1,178,810
7	505 - Electric Expense	63,807	36,535	57,850	66,567	50,395	51,448	56,414	53,924	61,760	50,984	53,652	53,505	656,841
8	506 - Miscellaneous	152,517	74,462	170,996	126,128	130,706	109,600	95,078	118,613	110,772	130,785	118,535	31,711	1,369,903
9	507 - Rents	311,135	311,135	311,135	320,131	320,131	320,615	320,361	320,131	320,131	320,131	320,131	320,169	3,815,333
10	<b>Subtotal Steam Production - Operation</b>	<b>\$ 3,124,480</b>	<b>\$ 2,620,385</b>	<b>\$ 2,796,647</b>	<b>\$ 2,990,650</b>	<b>\$ 2,187,226</b>	<b>\$ 2,218,512</b>	<b>\$ 2,222,052</b>	<b>\$ 2,210,226</b>	<b>\$ 2,679,265</b>	<b>\$ 2,423,234</b>	<b>\$ 2,219,941</b>	<b>\$ 2,437,888</b>	<b>\$ 30,130,508</b>
11														
12	<b>Steam Production - Maintenance</b>													
13	510 - Supervision & Engineering	55,623	75,668	64,165	56,016	78,069	50,859	66,181	39,937	35,265	79,766	27,269	44,488	673,307
14	511 - Structures	95,516	33,824	67,602	49,536	113,805	41,031	156,995	26,340	46,023	83,406	31,715	41,944	787,737
15	512 - Boilers	422,346	476,561	379,532	509,587	410,234	473,943	649,724	676,264	153,961	424,797	194,601	349,077	5,120,626
16	513 - Electric Plant	103,709	(6,549)	15,851	116,865	201,212	113,172	134,764	37,761	199,566	111,720	763,781	118,782	1,910,637
17	514 - Miscellaneous Plant	12,131	5,584	4,793	14,227	6,406	13,090	22,893	9,436	10,032	16,141	7,605	17,654	139,994
18	<b>Subtotal Steam Production - Maintenance</b>	<b>\$ 689,326</b>	<b>\$ 585,088</b>	<b>\$ 531,943</b>	<b>\$ 746,233</b>	<b>\$ 809,726</b>	<b>\$ 692,096</b>	<b>\$ 1,030,556</b>	<b>\$ 789,738</b>	<b>\$ 444,846</b>	<b>\$ 715,831</b>	<b>\$ 1,024,971</b>	<b>\$ 571,945</b>	<b>\$ 8,632,301</b>
19														
20	<b>Other Production - Operation</b>													
21	546 - Operation Supervision & Engineering	99,293	75,206	93,901	90,441	89,864	92,744	62,779	76,521	80,085	80,506	59,052	85,734	986,125
22	547 - Fuel	812,506	1,325,990	2,020,198	2,057,361	2,137,488	920,392	815,283	1,511,363	1,082,470	1,342,955	1,407,912	1,405,480	16,839,397
23	548 - Generation Expense	110,360	145,305	119,579	116,987	70,543	82,915	94,868	87,419	90,043	81,960	67,211	91,096	1,158,287
24	549 - Miscellaneous	18,724	11,521	17,613	135,826	40,120	23,957	6,577	(30,906)	22,309	26,546	20,270	49,877	342,436
25	550 - Other Generation Rents	203,657	201,835	204,149	187,442	187,442	187,442	187,442	187,442	187,442	187,442	187,233	187,681	2,296,889
26	<b>Subtotal Other Production - Operation</b>	<b>\$ 1,244,540</b>	<b>\$ 1,759,856</b>	<b>\$ 2,455,439</b>	<b>\$ 2,588,058</b>	<b>\$ 2,525,457</b>	<b>\$ 1,307,451</b>	<b>\$ 1,166,948</b>	<b>\$ 1,831,840</b>	<b>\$ 1,462,349</b>	<b>\$ 1,719,649</b>	<b>\$ 1,741,678</b>	<b>\$ 1,819,868</b>	<b>\$ 21,623,134</b>
27														
28	<b>Other Production - Maintenance</b>													
29	551 - Supervision & Engineering	-	-	225	(49)	-	-	115	-	57	-	-	-	347
30	552 - Structures	-	-	-	-	-	-	-	-	-	62,640	(62,640)	-	-
31	553 - Electric Plant	818,944	271,326	81,207	152,973	192,391	151,633	111,292	303,222	450,115	533,585	774,654	274,286	4,115,629
32	554 - Miscellaneous Plant	-	1,625	7,616	5,968	15,064	(4,531)	2,546	484	(279)	7,005	127	8,345	43,970
33	556 - System Control & Load Dispatch	(81,336)	68,979	120,544	124,959	128,758	121,873	133,876	140,121	89,160	149,511	112,411	143,701	1,252,558
34	<b>Subtotal Other Production - Maintenance</b>	<b>\$ 737,608</b>	<b>\$ 341,931</b>	<b>\$ 209,592</b>	<b>\$ 283,851</b>	<b>\$ 336,213</b>	<b>\$ 268,976</b>	<b>\$ 247,829</b>	<b>\$ 443,827</b>	<b>\$ 539,053</b>	<b>\$ 752,741</b>	<b>\$ 824,553</b>	<b>\$ 426,332</b>	<b>\$ 5,412,504</b>
35														
36	<b>Other Power Supply</b>													
37	555 - Purchased Power - Energy	1,407,032	1,693,124	2,083,786	2,317,562	3,652,432	4,423,537	2,350,279	1,838,469	3,713,404	7,274,006	6,007,900	3,860,298	40,621,828
38	555 - Purchase Power - Demand	274,330	352,710	411,912	406,909	351,042	374,390	312,686	298,511	246,831	264,119	242,989	223,781	3,760,210
39	557 - Other Expenses	-	-	128	-	-	-	-	-	-	-	-	-	128
40	<b>Subtotal Other Power Supply</b>	<b>\$ 1,681,362</b>	<b>\$ 2,045,834</b>	<b>\$ 2,495,825</b>	<b>\$ 2,724,471</b>	<b>\$ 4,003,475</b>	<b>\$ 4,797,927</b>	<b>\$ 2,662,965</b>	<b>\$ 2,136,980</b>	<b>\$ 3,960,235</b>	<b>\$ 7,538,125</b>	<b>\$ 6,250,889</b>	<b>\$ 4,084,078</b>	<b>\$ 44,382,165</b>
41														
42	<b>Wind Production</b>													
43	558 - Operations & Maintenance	-	-	-	65,293	63,064	9,776	80,771	97,181	(28,336)	82,990	72,625	47,216	490,580
44	<b>Subtotal Wind Production</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 65,293</b>	<b>\$ 63,064</b>	<b>\$ 9,776</b>	<b>\$ 80,771</b>	<b>\$ 97,181</b>	<b>\$ (28,336)</b>	<b>\$ 82,990</b>	<b>\$ 72,625</b>	<b>\$ 47,216</b>	<b>\$ 490,580</b>
45														
46	<b>Total Production Expense</b>	<b>\$ 7,477,316</b>	<b>\$ 7,353,093</b>	<b>\$ 8,489,447</b>	<b>\$ 9,398,556</b>	<b>\$ 9,925,160</b>	<b>\$ 9,294,738</b>	<b>\$ 7,411,122</b>	<b>\$ 7,509,792</b>	<b>\$ 9,057,411</b>	<b>\$ 13,232,569</b>	<b>\$ 12,134,658</b>	<b>\$ 9,387,329</b>	<b>\$ 110,671,192</b>
47														
48	<b>Transmission Expenses</b>													
49	<b>Transmission - Operation</b>													
50	560 - Supervision & Engineering	50,581	56,428	41,099	54,851	51,502	45,454	45,613	41,545	32,446	40,801	31,770	56,113	548,201
51	561 - Load Dispatch	236,617	191,159	275,922	258,803	312,482	297,885	332,315	305,615	267,101	393,263	367,746	347,795	3,586,704
52	562 - Station Equipment	50,831	48,320	28,320	(46,606)	25,445	29,420	6,708	62,187	62,187	55,203	78,072	4,223	384,528
53	563 - Overhead Lines	-	-	-	-	-	-	-	-	5,379	(2,307)	-	1,172	4,244
54	564 - Underground Lines	-	-	-	-	-	-	-	-	-	-	-	-	-
55	565 - Transmission of Electricity by Others	2,622,896	2,253,394	1,683,404	2,349,129	2,090,144	2,281,902	2,117,034	2,328,519	1,476,096	2,403,444	2,233,032	2,046,207	25,885,201
56	566 - Miscellaneous	45,867	45,400	84,332	5,260	5,991	31	254,781	71,033	72,735	72,561	70,061	71,519	799,570
57	567 - Rents	617	617	10,553	617	617	617	4,531	43,681	8,390	617	1,892	1,776	74,527
58	<b>Subtotal Transmission - Operation</b>	<b>\$ 3,007,409</b>	<b>\$ 2,595,317</b>	<b>\$ 2,123,630</b>	<b>\$ 2,622,055</b>	<b>\$ 2,486,180</b>	<b>\$ 2,655,309</b>	<b>\$ 2,760,982</b>	<b>\$ 2,852,580</b>	<b>\$ 1,904,552</b>	<b>\$ 2,963,582</b>	<b>\$ 2,782,573</b>	<b>\$ 2,528,805</b>	<b>\$ 31,282,974</b>



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 Workpaper 1

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
Line No.	Account and Description	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Total
117	Sales Expenses													
118	Sales Expenses - Operation													
119	911 - Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-
120	912 - Demonstrating and selling expenses	-	-	-	4,000	-	-	1,622	139	-	-	-	(313)	5,448
121	913 - Advertising expenses	-	-	-	-	-	-	-	-	-	-	148	(74)	-
122	916 - Miscellaneous sales expenses	-	-	-	-	-	-	-	-	-	-	-	-	75
123	Subtotal Sales Expenses - Operation	\$ -	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ 1,622	\$ 139	\$ -	\$ -	\$ 148	\$ (386)	\$ 5,522
124														
125	Administrative and General Expenses													
126	Administrative and General Expenses - Operation													
127	920 - Administrative and general salaries	950,520	1,235,061	915,919	1,419,288	1,239,285	1,163,845	1,088,825	1,272,117	1,256,891	1,232,265	1,024,233	1,362,828	14,161,077
128	921 - Office supplies and expenses	387,006	313,302	341,444	310,868	465,745	442,188	179,047	406,203	382,405	324,263	311,211	348,770	4,212,452
129	922 - Administrative expenses transferred - Credit	(323,889)	(281,078)	(263,283)	(276,765)	(286,040)	(326,790)	(255,700)	(255,764)	(252,477)	(294,758)	(250,097)	(325,718)	(3,392,358)
130	923 - Outside services employed	160,909	242,831	327,281	145,566	368,864	190,440	217,360	260,872	243,214	383,609	412,391	193,449	3,146,787
131	924 - Property insurance	106,320	106,382	103,336	105,965	105,285	105,285	105,285	105,285	101,351	108,905	108,905	105,128	1,263,812
132	925 - Injuries and damages	341,176	181,970	262,526	271,964	350,457	268,599	341,081	309,821	371,799	286,159	171,213	389,958	3,546,722
133	926 - Employee pensions and benefits	570,889	595,285	114,161	699,478	800,521	406,422	525,053	620,686	372,780	522,469	737,662	331,334	6,296,739
134	928 - Regulatory commission expenses	81,119	81,057	81,297	80,632	80,632	81,337	92,265	80,632	113,081	211,609	50,471	121,230	1,155,364
135	929 - Duplicate Charges	(48,469)	(47,988)	(68,228)	(77,525)	(85,150)	(81,967)	(57,535)	(53,089)	(46,752)	(52,614)	(56,054)	(54,395)	(729,766)
136	930.1 - General advertising expenses	18,555	21,109	9,229	123,311	29,610	33,157	45,415	50,662	19,917	12,410	22,931	52,322	438,627
137	930.2 - Miscellaneous general expenses	82,239	67,815	73,797	95,478	105,586	82,541	88,597	84,623	158,850	72,331	81,410	29,142	1,022,409
138	931 - Rents	161,188	160,758	160,305	122,469	124,364	123,868	123,847	123,826	129,204	126,701	126,740	126,726	1,609,997
139	Subtotal Administrative and General Expenses - Operation	\$ 2,487,562	\$ 2,676,506	\$ 2,057,783	\$ 3,020,731	\$ 3,299,159	\$ 2,488,926	\$ 2,493,539	\$ 3,005,875	\$ 2,854,198	\$ 2,925,794	\$ 2,741,016	\$ 2,680,774	\$ 32,731,863
140														
141	Administrative and General Expenses - Maintenance													
142	935 - Maintenance of general plant	300,144	160,032	318,132	258,390	275,508	271,666	283,581	248,312	380,307	291,631	257,626	335,193	3,380,519
143	Subtotal Administrative and General Expenses - Maintenance	\$ 300,144	\$ 160,032	\$ 318,132	\$ 258,390	\$ 275,508	\$ 271,666	\$ 283,581	\$ 248,312	\$ 380,307	\$ 291,631	\$ 257,626	\$ 335,193	\$ 3,380,519
144														
145	Total Administrative and General Expenses	\$ 2,787,706	\$ 2,836,538	\$ 2,375,915	\$ 3,279,121	\$ 3,574,667	\$ 2,760,592	\$ 2,777,120	\$ 3,254,187	\$ 3,234,505	\$ 3,217,425	\$ 2,998,642	\$ 3,015,967	\$ 36,112,382
146														
147	Total Operating & Maintenance Expense	\$ 14,352,187	\$ 14,162,138	\$ 14,259,022	\$ 16,699,456	\$ 17,531,318	\$ 16,058,246	\$ 14,288,814	\$ 14,856,254	\$ 15,470,578	\$ 20,880,316	\$ 19,689,472	\$ 16,718,477	\$ 194,966,278