

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
PER BOOKS - CASH WORKING CAPITAL
FOR THE TEST PERIOD ENDED SEPTEMBER 30, 2025

COST OF SERVICE STUDY

Schedule F-3

Page 1 of 2

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Line No.	Description	Per Book Base Period Expenses	Revenue Lag	Expense Lead	Net (Lead)/Lag	Factor	CWC Req
1	Cash Working Capital (CWC) Requirement						
2	Operations & Maintenance Expenses						
3	Direct Payroll	\$ 13,334,760	36.86	14.00	22.86	6.00%	\$ 800,086
4	Coal	16,584,472	36.86	5.79	31.07	9.00%	1,492,603
5	Transmission - Direct Purchase	2,758,161	36.86	26.86	10.00	3.00%	82,745
6	Transmission - Intercompany	23,135,039	36.86	36.65	0.21	0.00%	-
7	Purchased Power - Direct Purchases	39,104,816	36.86	33.23	3.63	1.00%	391,048
8	Purchased Power- Intercompany	5,277,222	36.86	35.78	1.08	0.00%	-
9	Purchased Power - Renewable Ready	3,760,210	-	-	-	0.00%	-
10	Purchased Fuel	14,478,846	36.86	39.08	(2.22)	(1.00%)	(144,788)
11	O&M Expenses - Direct Materials	6,169,803	36.86	28.87	7.99	2.00%	123,396
12	O&M Expenses - Direct Services	30,877,176	36.86	30.17	6.69	2.00%	617,544
13	O&M Expenses - Allocated Materials	1,099,953	36.86	36.60	0.26	0.00%	-
14	O&M Expenses - Allocated Services	14,937,185	36.86	37.32	(0.46)	0.00%	-
15	O&M Expenses - Allocated Payroll	21,855,810	36.86	37.30	(0.44)	0.00%	-
16	Other O&M	1,592,824	36.86	29.90	6.96	2.00%	31,856
17	Total Operation & Maintenance Expense	\$ 194,966,278					\$ 3,394,489
18							
19	Taxes other than Income Taxes						
20	Ad Valorem Taxes	8,023,481	36.86	284.43	(247.57)	(68.00%)	(5,455,967)
21	FICA Taxes - Employer's	1,919,302	36.86	14.00	22.86	6.00%	115,158
22	Unemployment Taxes (FUTA & SUTA)	4,585	36.86	14.00	22.86	6.00%	275
23	City Franchise Taxes	97,145	36.86	51.25	(14.39)	(4.00%)	(3,886)
24	Sales Taxes	10,366,778	36.86	23.09	13.77	4.00%	414,671
25	Total Taxes other than Income Taxes	\$ 20,411,291					\$ (4,929,749)
26							
27	Current Income Taxes-Federal	3,190,783	36.86	36.63	0.23	0.06%	2,054
28							
29	Total	\$ 218,568,353					\$ (1,533,206)

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - REVENUE LAG
FOR THE BASE YEAR ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 1

(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Billing Period Midpoint	Days to Invoice	Invoice to Payment	Total Revenue Lag Days
1	Revenue Lag	15.18	1.58	20.10	<u><u>36.86</u></u>

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - PAYROLL & PAYROLL TAXES EXPENSE LEAD
FOR THE BASE YEAR ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 2

(a)	(b)	(c)	(d)	(e) = (d) - 1	(f) = (1 + (c) - (b)) ÷ 2	(g) = (b) + (f)	(h) = (e) - (g)
Line No.	Period Begin	Period End	Pay Date	Funds Transfer Out of Account	Midpoint	Midpoint Date	Lead Days
1	09/02/24	09/15/24	09/24/24	09/23/24	7.0	09/09/24	14.00
2	09/16/24	09/29/24	10/08/24	10/07/24	7.0	09/23/24	14.00
3	09/30/24	10/13/24	10/22/24	10/21/24	7.0	10/07/24	14.00
4	10/14/24	10/27/24	11/05/24	11/04/24	7.0	10/21/24	14.00
5	10/28/24	11/10/24	11/19/24	11/18/24	7.0	11/04/24	14.00
6	11/11/24	11/24/24	12/03/24	12/02/24	7.0	11/18/24	14.00
7	11/25/24	12/08/24	12/17/24	12/16/24	7.0	12/02/24	14.00
8	12/09/24	12/22/24	12/31/24	12/30/24	7.0	12/16/24	14.00
9	12/23/24	01/05/25	01/14/25	01/13/25	7.0	12/30/24	14.00
10	01/06/25	01/19/25	01/28/25	01/27/25	7.0	01/13/25	14.00
11	01/20/25	02/02/25	02/11/25	02/10/25	7.0	01/27/25	14.00
12	02/03/25	02/16/25	02/25/25	02/24/25	7.0	02/10/25	14.00
13	02/17/25	03/02/25	03/11/25	03/10/25	7.0	02/24/25	14.00
14	03/03/25	03/16/25	03/25/25	03/24/25	7.0	03/10/25	14.00
15	03/17/25	03/30/25	04/08/25	04/07/25	7.0	03/24/25	14.00
16	03/31/25	04/13/25	04/22/25	04/21/25	7.0	04/07/25	14.00
17	04/14/25	04/27/25	05/06/25	05/05/25	7.0	04/21/25	14.00
18	04/28/25	05/11/25	05/20/25	05/19/25	7.0	05/05/25	14.00
19	05/12/25	05/25/25	06/03/25	06/02/25	7.0	05/19/25	14.00
20	05/26/25	06/08/25	06/17/25	06/16/25	7.0	06/02/25	14.00
21	06/09/25	06/22/25	07/01/25	06/30/25	7.0	06/16/25	14.00
22	06/23/25	07/06/25	07/15/25	07/14/25	7.0	06/30/25	14.00
23	07/07/25	07/20/25	07/29/25	07/28/25	7.0	07/14/25	14.00
24	07/21/25	08/03/25	08/12/25	08/11/25	7.0	07/28/25	14.00
25	08/04/25	08/17/25	08/26/25	08/25/25	7.0	08/11/25	14.00
26	08/18/25	08/31/25	09/09/25	09/08/25	7.0	08/25/25	14.00
27	09/01/25	09/14/25	09/23/25	09/22/25	7.0	09/08/25	14.00
28	09/15/25	09/28/25	10/07/25	10/06/25	7.0	09/22/25	14.00
29							
30							
Average Payroll, FICA / FED W/H Expense Lead							14.00

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - COAL EXPENSE LEAD
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 3

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (f - e)	(h)	(i) = (h ÷ h14)	(j) = (i x g)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Average Pay Date	Lead Days	Amount Expensed	% of Total Payment	Weighted Average Lead/(Lag) Days
1									
2	Purchased Coal	10/1/2024	10/31/2024	10/16/2024	10/18/2024	2.00	1,147,770.02	6.92%	0.14
3	Purchased Coal	11/1/2024	11/30/2024	11/15/2024	11/22/2024	6.50	2,089,590.04	12.60%	0.82
4	Purchased Coal	12/1/2024	12/31/2024	12/16/2024	12/20/2024	4.00	1,590,898.63	9.59%	0.38
5	Purchased Coal	1/1/2025	1/31/2025	1/16/2025	1/21/2025	5.00	1,808,573.80	10.91%	0.55
6	Purchased Coal	2/1/2025	2/28/2025	2/14/2025	2/21/2025	6.50	1,575,188.39	9.50%	0.62
7	Purchased Coal	3/1/2025	3/31/2025	3/16/2025	3/19/2025	3.00	1,205,505.46	7.27%	0.22
8	Purchased Coal	4/1/2025	4/30/2025	4/15/2025	4/23/2025	7.50	1,034,686.12	6.24%	0.47
9	Purchased Coal	5/1/2025	5/31/2025	5/16/2025	5/23/2025	7.00	1,209,695.41	7.29%	0.51
10	Purchased Coal	6/1/2025	6/30/2025	6/15/2025	6/23/2025	7.50	1,233,331.20	7.44%	0.56
11	Purchased Coal	7/1/2025	7/31/2025	7/16/2025	7/23/2025	7.00	1,521,835.95	9.18%	0.64
12	Purchased Coal	8/1/2025	8/31/2025	8/16/2025	8/22/2025	6.00	1,481,740.51	8.93%	0.54
13	Purchased Coal	9/1/2025	9/30/2025	9/15/2025	9/24/2025	8.50	685,656.80	4.13%	0.35
14							16,584,472.34	Total lead days	5.79
15									
16								Purchased Coal Expense Lead	5.79

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY**CASH WORKING CAPITAL - DIRECT TRANSMISSION EXPENSE LEAD**

Schedule F-3 WP 4

FOR THE BASE YEAR ENDED SEPTEMBER 30, 2025

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (g ÷ g13)	(i) = (f x h)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Lead Days	Amount Expensed	% of Annual Expense	Weighted Average Lead/Lag Days
1	Direct - Transmission Expense	10/1/2024	10/31/2024	10/16/2024	33.97	314,410	11.40%	3.87
2	Direct - Transmission Expense	11/1/2024	11/30/2024	11/15/2024	31.09	235,203	8.53%	2.65
3	Direct - Transmission Expense	12/1/2024	12/31/2024	12/16/2024	21.73	249,493	9.05%	1.97
4	Direct - Transmission Expense	1/1/2025	1/31/2025	1/16/2025	26.98	221,781	8.04%	2.17
5	Direct - Transmission Expense	2/1/2025	2/28/2025	2/14/2025	24.66	232,542	8.43%	2.08
6	Direct - Transmission Expense	3/1/2025	3/31/2025	3/16/2025	29.20	229,123	8.31%	2.43
7	Direct - Transmission Expense	4/1/2025	4/30/2025	4/15/2025	26.26	218,988	7.94%	2.08
8	Direct - Transmission Expense	5/1/2025	5/31/2025	5/16/2025	24.74	189,888	6.88%	1.70
9	Direct - Transmission Expense	6/1/2025	6/30/2025	6/15/2025	28.45	204,314	7.41%	2.11
10	Direct - Transmission Expense	7/1/2025	7/31/2025	7/16/2025	28.25	211,634	7.67%	2.17
11	Direct - Transmission Expense	8/1/2025	8/31/2025	8/16/2025	24.94	230,192	8.35%	2.08
12	Direct - Transmission Expense	9/1/2025	9/30/2025	9/15/2025	19.35	220,593	8.00%	1.55
13						2,758,161	Total lead days	26.86

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY**CASH WORKING CAPITAL - INTERCOMPANY TRANSMISSION EXPENSE LEAD**

Schedule F-3 WP 5

FOR THE BASE YEAR ENDED SEPTEMBER 30, 2025

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (g ÷ g13)	(i) = (f x h)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Lead Days	Amount Expensed	% of Annual Expense	Weighted Average Lead/Lag Days
1	Intercompany - Transmission Expense	10/1/2024	10/31/2024	10/16/2024	37.00	2,308,485	9.98%	3.69
2	Intercompany - Transmission Expense	11/1/2024	11/30/2024	11/15/2024	34.50	2,018,191	8.72%	3.01
3	Intercompany - Transmission Expense	12/1/2024	12/31/2024	12/16/2024	36.00	1,433,911	6.20%	2.23
4	Intercompany - Transmission Expense	1/1/2025	1/31/2025	1/16/2025	36.00	2,127,348	9.20%	3.31
5	Intercompany - Transmission Expense	2/1/2025	2/28/2025	2/14/2025	32.50	1,857,602	8.03%	2.61
6	Intercompany - Transmission Expense	3/1/2025	3/31/2025	3/16/2025	38.00	2,052,779	8.87%	3.37
7	Intercompany - Transmission Expense	4/1/2025	4/30/2025	4/15/2025	37.50	1,898,047	8.20%	3.08
8	Intercompany - Transmission Expense	5/1/2025	5/31/2025	5/16/2025	38.00	2,138,631	9.24%	3.51
9	Intercompany - Transmission Expense	6/1/2025	6/30/2025	6/15/2025	37.50	1,271,782	5.50%	2.06
10	Intercompany - Transmission Expense	7/1/2025	7/31/2025	7/16/2025	37.00	2,191,809	9.47%	3.51
11	Intercompany - Transmission Expense	8/1/2025	8/31/2025	8/16/2025	39.00	2,002,840	8.66%	3.38
12	Intercompany - Transmission Expense	9/1/2025	9/30/2025	9/15/2025	36.50	1,833,614	7.93%	2.89
13						23,135,039	Total lead days	36.65

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - DIRECT PURCHASED POWER EXPENSE LEAD
FOR THE BASE PERIOD ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 6

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (g ÷ g14)	(i) = (f x h)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Lead Days	Amount Expensed	% of Annual Expense	Weighted Average Lead/Lag Days
1								
2	Direct - Purchased Power	10/1/2024	10/31/2024	10/16/2024	30.25	1,337,692	3.42%	1.03
3	Direct - Purchased Power	11/1/2024	11/30/2024	11/15/2024	29.97	1,459,683	3.73%	1.12
4	Direct - Purchased Power	12/1/2024	12/31/2024	12/16/2024	31.51	1,798,114	4.60%	1.45
5	Direct - Purchased Power	1/1/2025	1/31/2025	1/16/2025	29.13	2,081,213	5.32%	1.55
6	Direct - Purchased Power	2/1/2025	2/28/2025	2/14/2025	30.95	3,437,953	8.79%	2.72
7	Direct - Purchased Power	3/1/2025	3/31/2025	3/16/2025	28.61	4,208,280	10.76%	3.08
8	Direct - Purchased Power	4/1/2025	4/30/2025	4/15/2025	41.36	2,208,872	5.65%	2.34
9	Direct - Purchased Power	5/1/2025	5/31/2025	5/16/2025	39.22	1,721,599	4.40%	1.73
10	Direct - Purchased Power	6/1/2025	6/30/2025	6/15/2025	32.88	3,716,962	9.51%	3.13
11	Direct - Purchased Power	7/1/2025	7/31/2025	7/16/2025	35.75	7,293,960	18.65%	6.67
12	Direct - Purchased Power	8/1/2025	8/31/2025	8/16/2025	32.82	6,002,003	15.35%	5.04
13	Direct - Purchased Power	9/1/2025	9/30/2025	9/15/2025	34.45	3,838,484	9.82%	3.38
14						39,104,816	Total lead days	33.23

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY

CASH WORKING CAPITAL - INTERCOMPANY PURCHASED POWER EXPENSE LEAD

Schedule F-3 WP 7

FOR THE BASE PERIOD ENDED SEPTEMBER 30, 2025

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (f - e)	(h)	(i) = (h ÷ h14)	(j) = (i x g)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Settlement Date	Lead Days	Amount Expensed	% of Annual Expense	Weighted Average Lead/Lag Days
1	Intercompany - Purchased Power	10/1/2024	10/31/2024	10/16/2024	11/22/2024	37.00	343,670	6.51%	2.41
2	Intercompany - Purchased Power	11/1/2024	11/30/2024	11/15/2024	12/20/2024	34.50	586,151	11.11%	3.83
3	Intercompany - Purchased Power	12/1/2024	12/31/2024	12/16/2024	1/17/2025	32.00	697,584	13.22%	4.23
4	Intercompany - Purchased Power	1/1/2025	1/31/2025	1/16/2025	2/21/2025	36.00	643,258	12.19%	4.39
5	Intercompany - Purchased Power	2/1/2025	2/28/2025	2/14/2025	3/19/2025	32.50	565,521	10.72%	3.48
6	Intercompany - Purchased Power	3/1/2025	3/31/2025	3/16/2025	4/23/2025	38.00	589,646	11.17%	4.25
7	Intercompany - Purchased Power	4/1/2025	4/30/2025	4/15/2025	5/23/2025	37.50	454,093	8.60%	3.23
8	Intercompany - Purchased Power	5/1/2025	5/31/2025	5/16/2025	6/23/2025	38.00	415,381	7.87%	2.99
9	Intercompany - Purchased Power	6/1/2025	6/30/2025	6/15/2025	7/23/2025	37.50	243,272	4.61%	1.73
10	Intercompany - Purchased Power	7/1/2025	7/31/2025	7/16/2025	8/22/2025	37.00	244,165	4.63%	1.71
11	Intercompany - Purchased Power	8/1/2025	8/31/2025	8/16/2025	9/24/2025	39.00	248,885	4.72%	1.84
12	Intercompany - Purchased Power	9/1/2025	9/30/2025	9/15/2025	10/22/2025	36.50	245,595	4.65%	1.70
13							5,277,222	Total lead days	35.78

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY

**CASH WORKING CAPITAL - RENEWABLE READY PURCHASED POWER EXPENSE LEAD
FOR THE BASE PERIOD ENDED SEPTEMBER 30, 2025**

Schedule F-3 WP 8

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (g ÷ g13)	(i) = (f x h)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Lead Days (Note 1)	Amount Expended	% of Annual Expense	Weighted Average Lead/Lag Days
1	Renewable Ready - Purchased Power	10/1/2024	10/31/2024	10/16/2024	-	274,330	7.30%	-
2	Renewable Ready - Purchased Power	11/1/2024	11/30/2024	11/15/2024	-	352,710	9.38%	-
3	Renewable Ready - Purchased Power	12/1/2024	12/31/2024	12/16/2024	-	411,912	10.95%	-
4	Renewable Ready - Purchased Power	1/1/2025	1/31/2025	1/16/2025	-	406,909	10.82%	-
5	Renewable Ready - Purchased Power	2/1/2025	2/28/2025	2/14/2025	-	351,042	9.34%	-
6	Renewable Ready - Purchased Power	3/1/2025	3/31/2025	3/16/2025	-	374,390	9.96%	-
7	Renewable Ready - Purchased Power	4/1/2025	4/30/2025	4/15/2025	-	312,686	8.32%	-
8	Renewable Ready - Purchased Power	5/1/2025	5/31/2025	5/16/2025	-	298,511	7.94%	-
9	Renewable Ready - Purchased Power	6/1/2025	6/30/2025	6/15/2025	-	246,831	6.56%	-
10	Renewable Ready - Purchased Power	7/1/2025	7/31/2025	7/16/2025	-	264,119	7.02%	-
11	Renewable Ready - Purchased Power	8/1/2025	8/31/2025	8/16/2025	-	242,989	6.46%	-
12	Renewable Ready - Purchased Power	9/1/2025	9/30/2025	9/15/2025	-	223,781	5.95%	-
13						3,760,210	Total lead days	-

15 Note (1) Renewable Ready revenue is removed from the RRS calculation and a Renewable Ready credit is given to customers on Statement I. Therefore, the lead days are set to 0, but the expense
16 is still included as its own line item so as to not skew the Other O&M Expenses line item on the Lead-Lag Study.

33
34
35

Total Purchased Fuel 14,478,846

Purchased Fuel Lead 39.08

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - O&M EXPENSES EXPENSE LEAD
FOR THE TEST YEAR ENDING SEPTEMBER 30, 2025

Schedule F-3 WP 10

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (f - e)	(h) = (d ÷ d13, d29, d45, d61, d77)	(i) = (g x h)
Line No.	Description	Period	Expense	Midpoint of Service	Settlement Date	Total Lead Days	% of Annual Expense	Weighted Average Lead/Lag Days
1	Direct Materials	October-24	622,695			29.86	10.09%	3.01
2	Direct Materials	November-24	396,442			27.56	6.43%	1.77
3	Direct Materials	December-24	496,324			22.64	8.04%	1.82
4	Direct Materials	January-25	487,018			31.20	7.89%	2.46
5	Direct Materials	February-25	600,027			31.51	9.73%	3.06
6	Direct Materials	March-25	543,205			29.71	8.80%	2.62
7	Direct Materials	April-25	493,336			32.55	8.00%	2.60
8	Direct Materials	May-25	386,900			32.61	6.27%	2.04
9	Direct Materials	June-25	277,913			32.41	4.50%	1.46
10	Direct Materials	July-25	550,289			26.21	8.92%	2.34
11	Direct Materials	August-25	847,623			25.54	13.74%	3.51
12	Direct Materials	September-25	468,032			28.64	7.59%	2.17
13			<u>6,169,803</u>				<u>100.00%</u>	<u>28.87</u>
14								
15								
16								
							O&M Direct Materials Expense Lead	<u>28.87</u>
17	Direct Services	October-24	2,792,366			29.44	9.04%	2.66
18	Direct Services	November-24	1,878,295			31.89	6.08%	1.94
19	Direct Services	December-24	2,153,535			30.42	6.97%	2.12
20	Direct Services	January-25	2,426,871			26.50	7.86%	2.08
21	Direct Services	February-25	2,452,561			30.44	7.94%	2.42
22	Direct Services	March-25	2,195,072			29.40	7.11%	2.09
23	Direct Services	April-25	2,736,975			31.15	8.86%	2.76
24	Direct Services	May-25	2,698,509			31.43	8.74%	2.75
25	Direct Services	June-25	2,937,082			34.06	9.51%	3.24
26	Direct Services	July-25	2,866,536			26.00	9.28%	2.41
27	Direct Services	August-25	3,048,297			28.39	9.87%	2.80

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - O&M EXPENSES EXPENSE LEAD
FOR THE TEST YEAR ENDING SEPTEMBER 30, 2025

Schedule F-3 WP 10

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (f - e)	(h) = (d ÷ d13, d29, d45, d61, d77)	(i) = (g x h)
Line No.	Description	Period	Expense	Midpoint of Service	Settlement Date	Total Lead Days	% of Annual Expense	Weighted Average Lead/Lag Days
33	Allocated Materials	October-24	93,588	10/16/2024	11/22/2024	37.00	8.51%	3.15
34	Allocated Materials	November-24	111,671	11/15/2024	12/20/2024	35.00	10.15%	3.55
35	Allocated Materials	December-24	103,312	12/16/2024	1/21/2025	36.00	9.39%	3.38
36	Allocated Materials	January-25	71,732	1/16/2025	2/21/2025	36.00	6.52%	2.35
37	Allocated Materials	February-25	118,453	2/14/2025	3/19/2025	33.00	10.77%	3.55
38	Allocated Materials	March-25	156,905	3/16/2025	4/23/2025	38.00	14.26%	5.42
39	Allocated Materials	April-25	(66,512)	4/15/2025	5/23/2025	38.00	-6.05%	(2.30)
40	Allocated Materials	May-25	108,009	5/16/2025	6/23/2025	38.00	9.82%	3.73
41	Allocated Materials	June-25	98,534	6/15/2025	7/23/2025	38.00	8.96%	3.40
42	Allocated Materials	July-25	137,873	7/16/2025	8/22/2025	37.00	12.53%	4.64
43	Allocated Materials	August-25	66,971	8/16/2025	9/24/2025	39.00	6.09%	2.37
44	Allocated Materials	September-25	99,416	9/15/2025	10/22/2025	37.00	9.04%	3.34
45			<u>1,099,953</u>				<u>100.00%</u>	<u>36.60</u>
46								
47								
48								
							O&M Allocated Materials Expense Lead	<u>36.60</u>
49	Allocated Services	October-24	1,260,700	10/15/2024	11/22/2024	38.00	8.44%	3.21
50	Allocated Services	November-24	1,172,134	11/15/2024	12/20/2024	35.00	7.85%	2.75
51	Allocated Services	December-24	1,272,459	12/15/2024	1/21/2025	37.00	8.52%	3.15
52	Allocated Services	January-25	1,035,975	1/15/2025	2/21/2025	37.00	6.94%	2.57
53	Allocated Services	February-25	1,323,206	2/15/2025	3/19/2025	32.00	8.86%	2.83
54	Allocated Services	March-25	1,200,430	3/15/2025	4/23/2025	39.00	8.04%	3.13
55	Allocated Services	April-25	1,260,111	4/15/2025	5/23/2025	38.00	8.44%	3.21
56	Allocated Services	May-25	1,145,674	5/15/2025	6/23/2025	39.00	7.67%	2.99
57	Allocated Services	June-25	1,372,783	6/15/2025	7/23/2025	38.00	9.19%	3.49
58	Allocated Services	July-25	1,219,212	7/15/2025	8/22/2025	38.00	8.16%	3.10
59	Allocated Services	August-25	1,320,106	8/15/2025	9/24/2025	40.00	8.84%	3.54
60	Allocated Services	September-25	1,354,396	9/15/2025	10/22/2025	37.00	9.07%	3.35

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - O&M EXPENSES EXPENSE LEAD
FOR THE TEST YEAR ENDING SEPTEMBER 30, 2025

Schedule F-3 WP 10

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (f - e)	(h) = (d ÷ d13, d29, d45, d61, d77)	(i) = (g x h)
Line No.	Description	Period	Expense	Midpoint of Service	Settlement Date	Total Lead Days	% of Annual Expense	Weighted Average Lead/Lag Days
61			14,937,185				100.00%	37.32
62								
63	Total Allocated		16,037,138				O&M Allocated Services Expense Lead	37.32
64								
65	Allocated Payroll	October-24	1,621,347	10/15/2024	11/22/2024	38.00	7.42%	2.82
66	Allocated Payroll	November-24	1,843,262	11/15/2024	12/20/2024	35.00	8.43%	2.95
67	Allocated Payroll	December-24	1,432,579	12/15/2024	1/21/2025	37.00	6.55%	2.43
68	Allocated Payroll	January-25	2,083,023	1/15/2025	2/21/2025	37.00	9.53%	3.53
69	Allocated Payroll	February-25	1,954,513	2/15/2025	3/19/2025	32.00	8.94%	2.86
70	Allocated Payroll	March-25	1,725,080	3/15/2025	4/23/2025	39.00	7.89%	3.08
71	Allocated Payroll	April-25	1,787,110	4/15/2025	5/23/2025	38.00	8.18%	3.11
72	Allocated Payroll	May-25	1,898,621	5/15/2025	6/23/2025	39.00	8.69%	3.39
73	Allocated Payroll	June-25	1,772,401	6/15/2025	7/23/2025	38.00	8.11%	3.08
74	Allocated Payroll	July-25	1,962,415	7/15/2025	8/22/2025	38.00	8.98%	3.41
75	Allocated Payroll	August-25	1,858,595	8/15/2025	9/24/2025	40.00	8.50%	3.40
76	Allocated Payroll	September-25	1,916,864	9/15/2025	10/22/2025	37.00	8.77%	3.25
77			21,855,810				100.00%	37.30
78								
79	TOTAL		<u>74,939,927</u>				O&M Allocated Payroll Expense Lead	37.30

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - SALES TAX EXPENSE LEAD
FOR THE BASE PERIOD ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 11

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) = (g ÷ g13)	(i) = (f x h)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Lead Days	Payment Amount	% of Annual Expense	Weighted Average Lead/Lag Days
1	Sales & Use Tax Expense	10/1/2024	10/31/2024	10/16/2024	21.00	805,359	7.77%	1.63
2	Sales & Use Tax Expense	11/1/2024	11/30/2024	11/15/2024	20.44	745,398	7.19%	1.47
3	Sales & Use Tax Expense	12/1/2024	12/31/2024	12/16/2024	23.00	901,274	8.69%	2.00
4	Sales & Use Tax Expense	1/1/2025	1/31/2025	1/16/2025	26.00	974,246	9.40%	2.44
5	Sales & Use Tax Expense	2/1/2025	2/28/2025	2/14/2025	21.50	981,454	9.47%	2.04
6	Sales & Use Tax Expense	3/1/2025	3/31/2025	3/16/2025	23.00	878,237	8.47%	1.95
7	Sales & Use Tax Expense	4/1/2025	4/30/2025	4/15/2025	22.50	766,242	7.39%	1.66
8	Sales & Use Tax Expense	5/1/2025	5/31/2025	5/16/2025	21.20	746,175	7.20%	1.53
9	Sales & Use Tax Expense	6/1/2025	6/30/2025	6/15/2025	30.31	757,266	7.30%	2.21
10	Sales & Use Tax Expense	7/1/2025	7/31/2025	7/16/2025	27.05	919,318	8.87%	2.40
11	Sales & Use Tax Expense	8/1/2025	8/31/2025	8/16/2025	19.93	988,003	9.53%	1.90
12	Sales & Use Tax Expense	9/1/2025	9/30/2025	9/15/2025	21.39	903,806	8.72%	1.86
13						10,366,778	Total lead days	23.09

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - FEDERAL INCOME TAX EXPENSE LEAD
FOR THE BASE YEAR ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 12

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (f - e)	(h)	(i) = (g x h)
Line No.	Description	Period Begin	Period End	Midpoint of Service	Statutory Payment Date	Lead Days	% of Annual Expense	Weighted Average Lead/Lag Days
1	Federal Income Tax Expense	1/1/2024	12/31/2024	7/1/2024	12/15/2024	166.50	25.00%	41.63
2	Federal Income Tax Expense	1/1/2025	12/31/2025	7/2/2025	4/15/2025	(78.00)	25.00%	(19.50)
3	Federal Income Tax Expense	1/1/2025	12/31/2025	7/2/2025	6/15/2025	(17.00)	25.00%	(4.25)
4	Federal Income Tax Expense	1/1/2025	12/31/2025	7/2/2025	9/15/2025	75.00	25.00%	18.75
5							Total Lead Days	36.63

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - PROPERTY TAX EXPENSE LEAD
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 13

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (f - e)	(h)	(i) = (h ÷ h17)	(j) = (i x g)
Line No.	Description (Note 1)	Period Begin	Period End	Midpoint of Service	Payment Date	Lead Days	Payment Amount	% of Annual Expense	Weighted Average Lead/Lag Days
1	Property Tax Expense - Montana	1/1/2024	6/30/2024	3/31/2024	11/16/2024	229.50	241,913	4.03%	9.24
2	Property Tax Expense - Montana	7/1/2024	12/31/2024	9/30/2024	5/15/2025	226.50	241,913	4.03%	9.12
3	Property Tax Expense - Nebraska	1/1/2024	6/30/2024	3/31/2024	4/23/2025	387.50	70,653	1.18%	4.56
4	Property Tax Expense - Nebraska	7/1/2024	12/31/2024	9/30/2024	8/19/2025	322.50	70,653	1.18%	3.79
5	Property Tax Expense - South Dakota	1/1/2024	6/30/2024	3/31/2024	4/23/2025	387.50	2,436,837	40.57%	157.22
6	Property Tax Expense - Wyoming	1/1/2024	6/30/2024	3/31/2024	10/18/2024	200.50	1,471,997	24.51%	49.14
7	Property Tax Expense - Wyoming	7/1/2024	12/31/2024	9/30/2024	4/28/2025	209.50	1,471,997	24.51%	51.35
8							6,005,962	Total lead days	284.43
9	Note (1) - Property tax payments in 2024 for Nebraska and South Dakota were distributed early (8/28/2024) due to timing but will revert to an October payment date moving forward.								
10	Note (2) The tax payments made in 2025 are for tax assessments based on 2024 data. The South Dakota and Nebraska payments are made 1 year behind, and the Wyoming and Montana are made 1/2 year behind.								

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - FRANCHISE TAX EXPENSE LEAD
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2025

Schedule F-3 WP 14

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j) = (i - h)	(k)	(l) = (k ÷ k9)	(m) = (j x l)
Line No.	City	Ordinance No.	Period (Yrs)	Payment Frequency	Period Begin	Period End	Midpoint of Service	Payment Date	Lead Days	Payment Amount	% of Total Payment	Weighted Avg Lead Days
1	City of Newcastle	Franchise-53789	25	Quarterly	7/1/2024	9/30/2024	8/15/2024	10/7/2024	52.50	19,335	19.90%	10.45
2	City of Newcastle	Franchise-53789	25	Quarterly	10/1/2024	12/31/2024	11/15/2024	1/8/2025	53.50	19,298	19.86%	10.63
3	City of Newcastle	Franchise-53789	25	Quarterly	1/1/2025	3/31/2025	2/14/2025	4/2/2025	46.50	24,123	24.83%	11.55
4	City of Newcastle	Franchise-53789	25	Quarterly	4/1/2025	6/30/2025	5/16/2025	7/9/2025	54.00	17,841	18.37%	9.92
5	City of Upton	Franchise-53787	25	Quarterly	7/1/2024	9/30/2024	8/15/2024	10/7/2024	52.50	3,954	4.07%	2.14
6	City of Upton	Franchise-53787	25	Quarterly	10/1/2024	12/31/2024	11/15/2024	1/8/2025	53.50	3,696	3.80%	2.04
7	City of Upton	Franchise-53787	25	Quarterly	1/1/2025	3/31/2025	2/14/2025	4/2/2025	46.50	5,332	5.49%	2.55
8	City of Upton	Franchise-53787	25	Quarterly	4/1/2025	6/30/2025	5/16/2025	7/9/2025	54.00	3,566	3.67%	1.98
9	Total Franchise Tax Expense									97,145	Expense Lead Days	51.25

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
CASH WORKING CAPITAL - OTHER O&M EXPENSE LEAD
FOR THE BASE PERIOD ENDED DECEMBER 31, 2023

Schedule F-3 WP 15

(a)	(b)	(c)	(d)
Line No.	Description	Per Book Expenses	Expense Lead
1	Operations & Maintenance Expense		
2	Direct Payroll	13,334,760	14.00
3	Coal	16,584,472	5.79
4	Transmission - Direct Purchase	2,758,161	26.86
5	Transmission - Intercompany	23,135,039	36.65
6	Purchased Power - Direct Purchases	39,104,816	33.23
7	Purchased Power- Intercompany	5,277,222	35.78
8	Purchased Power - Renewable Ready	3,760,210	-
9	Purchased Fuel	14,478,846	39.08
10	O&M Expenses - Direct Materials	6,169,803	28.87
11	O&M Expenses - Direct Services	30,877,176	30.17
12	O&M Expenses - Allocated Materials	1,099,953	36.60
13	O&M Expenses - Allocated Services	14,937,185	37.32
14	O&M Expenses - Allocated Payroll	21,855,810	37.30
15	Other O&M (Total O&M Expense less rest of section)	1,592,824	29.90
16	Total Operation & Maintenance Expense	194,966,278	