

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
AS ADJUSTED - CASH WORKING CAPITAL
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

COST OF SERVICE STUDY

Schedule F-3

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(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	\$ 16,237,787	36.86	14.00	22.86	6.00%	\$ 974,267
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	10,359,464	36.86	31.07	5.79	2.00%	207,189
17	Total Operation & Maintenance Expense	\$ 206,635,945					\$ 3,744,003
18							
19	Taxes other than Income Taxes						
20	Ad Valorem Taxes	6,991,204	36.86	284.43	(247.57)	(68.00%)	(4,754,019)
21	FICA Taxes - Employer's	1,828,663	36.86	14.00	22.86	6.00%	109,720
22	Unemployment Taxes (FUTA & SUTA)	4,395	36.86	14.00	22.86	6.00%	264
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	\$ 19,288,184					\$ (4,233,250)
26							
27	Current Income Taxes-Federal	(11,450,236)	36.86	36.63	0.23	0.06%	(7,372)
28							
29	Total	\$ 214,473,894					\$ (496,619)

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 Test 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	31.07	5.79	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	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	\$ 218,568,352					\$ (1,533,206)

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY **COST OF SERVICE STUDY**
WAGES AND SALARIES ADJUSTMENT FOR ANNUALIZATION OF DIRECT EMPLOYEES **Schedule H-5**
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	Per Book Test Period	Adjustment Note (1)	Adjusted Amount
1	Operation and Maintenance Expenses			
2	Production Expenses			
3	Steam Production - Operation			
4	500 - Supervision & Engineering	\$ 1,076,762	234,415	\$ 1,311,177
5	501 - Fuel - Note (2)	470,556	102,442	572,998
6	502 - Steam Expense	827,098	180,062	1,007,160
7	505 - Electric Expense	524,633	114,215	638,848
8	506 - Miscellaneous	680,123	148,065	828,188
9	507 - Rents	-	-	-
10	Subtotal Steam Production - Operation	\$ 3,579,172	\$ 779,199	\$ 4,358,371
11				
12	Steam Production - Maintenance			
13	510 - Supervision & Engineering	1,268,056	276,061	1,544,117
14	511 - Structures	421,473	91,756	513,229
15	512 - Boilers	768,138	167,227	935,365
16	513 - Electric Plant	186,375	40,575	226,950
17	514 - Miscellaneous Plant	16,855	3,669	20,524
18	Subtotal Steam Production - Maintenance	\$ 2,660,897	\$ 579,287	\$ 3,240,184
19				
20	Other Production - Operation			
21	546 - Operation Supervision & Engineering	52,706	11,474	64,180
22	547 - Fuel	-	-	-
23	548 - Generation Expense	270,247	58,834	329,081
24	549 - Miscellaneous	(1,199)	(261)	(1,460)
25	550 - Other Generation Rents	-	-	-
26	Subtotal Other Production - Operation	\$ 321,754	\$ 70,047	\$ 391,801
27				
28	Other Production - Maintenance			
29	551 - Supervision & Engineering	179	39	218
30	552 - Structures	-	-	-
31	553 - Electric Plant	336,233	73,199	409,432
32	554 - Miscellaneous Plant	8,470	1,844	10,314
33	556 - System Control & Load Dispatch	-	-	-
34	Subtotal Other Production - Maintenance	\$ 344,881	\$ 75,082	\$ 419,963
35				
36	Other Power Supply			
37	555 - Purchased Power - Energy	-	-	-
38	555 - Purchased Power - Renewable Ready	-	-	-

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FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	Per Book Test Period	Adjustment Note (1)	Adjusted Amount
39	557 - Other Expenses	-	-	-
40	Subtotal Other Power Supply	\$ -	\$ -	\$ -

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FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	Per Book Test Period	Adjustment Note (1)	Adjusted Amount
41				
42	Wind Production			
43	558 - Operations & Maintenance	-	-	-
44	Subtotal Wind Production	\$ -	\$ -	\$ -
45				
46	Total Production Expense	\$ 6,906,704	\$ 1,503,615	\$ 8,410,319
47				
48	Transmission Expenses			
49	Transmission - Operation			
50	560 - Supervision & Engineering	5,552	1,209	6,761
51	561 - Load Dispatch	2,570	560	3,130
52	562 - Station Equipment	126,488	27,537	154,024
53	563 - Overhead Lines	-	-	-
54	564 - Underground Lines	-	-	-
55	565 - Transmission of Electricity by Others	-	-	-
56	566 - Miscellaneous	(865)	(188)	(1,053)
57	567 - Rents	-	-	-
58	Subtotal Transmission - Operation	\$ 133,745	\$ 29,117	\$ 162,862
59				
60	Transmission - Maintenance			
61	568 - Supervision & Engineering	-	-	-
62	569 - Structures	-	-	-
63	570 - Station Equipment	32,321	7,036	39,357
64	571 - Overhead Lines	-	-	-
65	572 - Underground Lines	-	-	-
66	575 - SPP/WEIS Administrative Costs	-	-	-
67	Subtotal Transmission - Maintenance	\$ 32,321	\$ 7,036	\$ 39,357
68				
69	Total Transmission Expense	\$ 166,066	\$ 36,153	\$ 202,219
70				
71	Distribution Expenses			
72	Distribution - Operations			
73	580 - Supervision	393,851	85,743	479,594
74	581 - Load Dispatch	-	-	-
75	582 - Station Equipment	293,922	63,988	357,910
76	583 - Overhead Lines	260,529	56,718	317,247
77	584 - Underground Lines	64,548	14,052	78,600
78	585 - Street Lighting	29,361	6,392	35,753
79	586 - Metering	339,925	74,003	413,927

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WAGES AND SALARIES ADJUSTMENT FOR ANNUALIZATION OF DIRECT EMPLOYEES **Schedule H-5**
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	Per Book Test Period	Adjustment Note (1)	Adjusted Amount
80	587 - Customer Installations	388,094	84,490	472,584
81	588 - Miscellaneous	514,421	111,991	626,412
82	589 - Rents	-	-	-
83	Subtotal Distribution - Operation	\$ 2,284,651	\$ 497,377	\$ 2,782,028

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FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	Per Book Test Period	Adjustment Note (1)	Adjusted Amount
84				
85	Distribution - Maintenance			
86	590 - Supervision	3,687	803	4,489
87	591 - Structures	-	-	-
88	592 - Station Equipment	83,039	18,078	101,117
89	593 - Overhead Lines	594,973	129,528	724,501
90	594 - Underground Lines	238,438	51,909	290,346
91	595 - Transformers	48,511	10,561	59,072
92	596 - Street Lighting	16,721	3,640	20,361
93	597 - Metering	2,200	479	2,679
94	598 - Miscellaneous	275	60	335
95	Subtotal Distribution - Maintenance	\$ 987,844	\$ 215,057	\$ 1,202,901
96				
97	Total Distribution Expense	\$ 3,272,494	\$ 712,434	\$ 3,984,928
98				
99	Customer Accounts and Service Expenses			
100	Customer Accounts Expenses			
101	901 - Supervision	-	-	-
102	902 - Meter reading expenses	262	57	319
103	903 - Customer records and collection expenses	-	-	-
104	904 - Uncollectible accounts	-	-	-
105	905 - Miscellaneous customer accounts expenses	136,828	29,788	166,616
106	Subtotal Customer Accounts Expenses	\$ 137,090	\$ 29,845	\$ 166,935
107				
108	Customer Service Expenses			
109	907 - Supervision	-	-	-
110	908 - Customer assistance expenses	168,984	36,788	205,772
111	909 - Informational and instructional advertising expenses	-	-	-
112	910 - Miscellaneous customer service and informational expense	-	-	-
113	Subtotal Customer Service Expenses	\$ 168,984	\$ 36,788	\$ 205,772
114				
115	Total Customer Accounts and Service Expenses	\$ 306,074	\$ 66,633	\$ 372,707
116				
117	Sales Expenses			
118	Sales Expenses - Operation			
119	911 - Supervision	-	-	-
120	912 - Demonstrating and selling expenses	1,093	238	1,331
121	913 - Advertising expenses	-	-	-
122	916 - Miscellaneous sales expenses	-	-	-

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WAGES AND SALARIES ADJUSTMENT FOR ANNUALIZATION OF DIRECT EMPLOYEES **Schedule H-5**
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	Per Book Test Period	Adjustment Note (1)	Adjusted Amount
123	Subtotal Sales Expenses - Operation	\$ 1,093	\$ 238	\$ 1,331

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY **COST OF SERVICE STUDY**
WAGES AND SALARIES ADJUSTMENT FOR ANNUALIZATION OF DIRECT EMPLOYEES **Schedule H-5**
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)	(e)
Line No.	Account and Description	Per Book Test Period	Adjustment Note (1)	Adjusted Amount
124				
125	Administrative and General Expenses			
126	Administrative and General Expenses - Operation			
127	920 - Administrative and general salaries	568,400	123,743	692,143
128	921 - Office supplies and expenses	-	-	-
129	922 - Administrative expenses transferred - Credit	-	-	-
130	923 - Outside services employed	-	-	-
131	924 - Property insurance	-	-	-
132	925 - Injuries and damages	-	-	-
133	926 - Employee pensions and benefits	2,049,845	446,259	2,496,104
134	928 - Regulatory commission expenses	-	-	-
135	929 - Duplicate Charges	-	-	-
136	930.1 - General advertising expenses	-	-	-
137	930.2 - Miscellaneous general expenses	13,099	2,852	15,950
138	931 - Rents	-	-	-
139	Subtotal Administrative and General Expenses - Operation	\$ 2,631,343	\$ 572,853	\$ 3,204,197
140				
141	Administrative and General Expenses - Maintenance			
142	935 - Maintenance of general plant	50,986	11,100	62,085
143	Subtotal Administrative and General Expenses - Maintenance	\$ 50,986	\$ 11,100	\$ 62,085
144				
145	Total Administrative and General Expenses	\$ 2,682,329	\$ 583,953	\$ 3,266,282
146				
147	Total Operating & Maintenance Expense	\$ 13,334,760	\$ 2,903,027	\$ 16,237,787
148				

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY **COST OF SERVICE STUDY**
TAXES OTHER THAN FEDERAL INCOME TAX **Statement L**
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

(a)	(b)	(c)	(d)
Line No.	Description	Reference	Amount
1	FICA Tax		
2	Per Books		\$ 1,919,302
3	Out of Period Adjustments		-
4	Adjustment	Sched L-1, Ln. 4	187,943
5	Removal of CUS and DC Tie Amounts	Stmt T, Ln. 176, Col. e	(278,583)
6	Adjusted Total	Sum Ln. (2 - 5)	\$ 1,828,663
7			
8	FUTA		
9	Per Books		9,020
10	Out of Period Adjustments		-
11	Adjustment	Sched L-1, Ln. 9	336
12	Removal of CUS and DC Tie Amounts	Stmt T, Ln. 177, Col. e	(1,237)
13	Adjusted Total	Sum Ln. (9 - 12)	\$ 8,119
14			
15	SUTA		
16	Per Books		(4,435)
17	Out of Period Adjustments		-
18	Adjustment	Sched L-1, Ln. 16	144
19	Removal of CUS and DC Tie Amounts	Stmt T, Ln. 178, Col. e	567
20	Adjusted Total	Sum Ln. (16 - 19)	\$ (3,724)
21			
22	State Sales & Use Tax		
23	Per Books		(630)
24	Out of Period Adjustments		-
25	Adjustment		-
26	Adjusted Total	Sum Ln. (23 - 25)	\$ (630)
27			
28	Ad Valorem Taxes		
29	Per Books		8,023,481
30	Out of Period Adjustments		226,923
31	Adjustment	Sched L-1, Ln. 21	380,133
32	Removal of CUS and DC Tie Amounts	Stmt T, Ln. 179, Col. e	(1,639,333)
33	Adjusted Total	Sum Ln. (29 - 32)	\$ 6,991,204
34			
35	Franchise Tax		
36	Per Books		228,223
37	Out of Period Adjustments		-
38	Adjustment		-
39	Adjusted Total	Sum Ln. (36 - 38)	\$ 228,223
40			
41	TOTI - Payroll Loading & Other		
42	Per Books		(1,222,987)
43	Out of Period Adjustments		-
44	Adjustment		-
45	Adjusted Total	Sum Ln. (42 - 44)	\$ (1,222,987)
46			
47	Total BHP Taxes Other Than Income		
48	Per Books	Sum Ln. (2, 9, 16, 23, 29, 36, & 42)	8,951,974
49	Out of Period Adjustments	Sum Ln. (3, 10, 17, 24, 30, 37, & 43)	226,923
50	Adjustment	Sum Ln. (4, 11, 18, 25, 31, 38, & 44)	568,556
51	Removal of CUS and DC Tie TOTI Amounts	Sum Ln. (5, 12, 19 & 32)	(1,918,585)
52	Adjusted Total	Sum Ln. (48 - 51)	\$ 7,828,867
53			
54	Allocated Taxes Other Than Income		
55	Per Books		1,238,746
56	Out of Period Adjustment		-
57	Pro Forma Adjustment	Sched L-1, Ln. 32	268,555
58	Adjusted Total	Sum Ln. (55 - 57)	\$ 1,507,300

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
 COMPUTATION OF FEDERAL INCOME TAX
 FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

COST OF SERVICE STUDY
 Statement K

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(f)
Line No.	Description	Reference	Per Book Test Period	Adjustment	Adjusted Total Company Amount	Remove DC Tie	Remove CUS	Adjusted Amount
1	Permanent Differences							
2	Operating Income before Federal Income Taxes	Stmt. M, Ln. 12	\$ 84,900,709	\$ (64,282,884)	\$ 20,617,824	\$ -	\$ -	\$ 20,617,824
3	Interest Expense	Ln. 88	(27,806,733)	4,029,059	(23,777,674)	-	-	(23,777,674)
4	Pre-Tax Net Operating Income		\$ 57,093,975	\$ (60,253,825)	\$ (3,159,850)	\$ -	\$ -	\$ (3,159,850)
5								
6	Tax Adjustments - Permanent Differences							
7	Fines & Penalties		35,094	(35,094)	-	-	-	-
8	Meals		115,443	-	115,443	(5,549)	(22,527)	87,367
9	Club Dues		97,507	(97,507)	-	-	-	-
10	Lobbying		42,984	(42,984)	-	-	-	-
11	Entertainment		3,716	(3,716)	-	-	-	-
12	PEP Life - Cash Surrender Value		(239,991)	239,991	-	-	-	-
13	Captive Insurance		(372,556)	372,556	-	-	-	-
14	Total Permanent Differences	Sum Ln. (7 - 13)	\$ (317,803)	\$ 433,246	\$ 115,443	\$ (5,549)	\$ (22,527)	\$ 87,367
15								
16	Temporary Differences							
17	190300.DT1000 DTA LT - Vacation		125,883	-	125,883	(6,051)	(24,564)	95,268
18	190300.DT1010 DTA LT - Bad Debt Reserve	Sched H-9, Ln. 23	28,486	90,169	118,655	(5,704)	(23,153)	89,798
19	190300.DT1020 DTA LT - Employee Group Insurance		44,262	-	44,262	(2,128)	(8,637)	33,497
20	190300.DT1030 DTA LT - Bonus		(3,573)	-	(3,573)	172	697	(2,704)
21	190300.DT1050 DTA LT - Workers' Compensation		160,629	-	160,629	(7,721)	(31,344)	121,563
22	190300.DT1099 DTA LT - Other		-	-	-	-	-	-
23	190300.DT2025 DTA LT-PEP PLAN:		(112,465)	-	(112,465)	5,406	21,946	(85,113)
24	190300.DT3070 DTA LT- Deferred Compensation		(51,250)	-	(51,250)	2,464	10,001	(38,786)
25	190300.DT4098 DTA LT - Deferred Regulatory:		34,347	-	34,347	(1,651)	(6,702)	25,994
26	190301.DT1040 DTA LT - NON QUAL DEF COMP:		25,408	(25,408)	-	-	-	-
27	190301.DT3060 DTA LT - FAS 143 (ARO)		58,138	(58,138)	-	-	-	-
28	190301.DT4098 DTA LT - Deferred Regulatory		-	-	-	-	-	-
29	190300.DT4135 DTA LT-INS RESERVE LIAB:		(1,100,000)	-	(1,100,000)	52,877	214,646	(832,477)
30	190301.DT4156 DTA LT - Operating Lease		(221,609)	221,609	-	-	-	-
31	190301.DT4180 DTA LT - Rate Refund		-	-	-	-	-	-

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF FEDERAL INCOME TAX
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

COST OF SERVICE STUDY
Statement K

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(f)
Line No.	Description	Reference	Per Book Test Period	Adjustment	Adjusted Total Company Amount	Remove DC Tie	Remove CUS	Adjusted Amount
32	190300.DT3076 DTA LT - Line Extension Depr Gas		1,722,491		1,722,491	(82,800)	(336,115)	1,303,577
33	190300.DT3090 DTA LT - Pension FAS 87		-	-	-	-	-	-
34	190301.DT1099 DTA LT - Other		90,646	(90,646)	-	-	-	-
35	190300.DT2020 DTA LT - Retiree Healthcare	Sched H-10, Col. (d), Ln. 4	(84,474)	(39,277)	(123,750)	5,949	24,148	(93,654)
36	190301.DT4230 DTA LT - Goodwill Amortization		-	-	-	-	-	-
37	190300.DT4466 DTA LT - PUC Fees	Sched H-13, Col. (d), Ln. 24	86,057	89,965	176,023	(8,461)	(34,348)	133,214
38	190301.DT4490 DTA LT - Transaction Costs		-	-	-	-	-	-
39	282300.DT4062 Def Tax Property LT - Accelerated Depr		59,659	2,590,072	2,649,730	(127,373)	(517,049)	2,005,308
40	282300.DT4094 DTL LT - Other Property		(74,283)	-	(74,283)	3,571	14,495	(56,217)
41	282302.DT4097 DTL LT - CWIP		214,692	-	214,692	(10,320)	(41,893)	162,478
42	282998.DT4060 DTL LT - Svc Co Def Tax Liab Prop		347,908	(1,118,621)	(770,713)	37,048	150,392	(583,274)
43	282302.DT4065 DT Liability Fed Property		(2,089,245)	2,819,353	730,108	(35,096)	(142,468)	552,543
44	282302.DT4275 DEF TAX PROPERTY LT-REG UOP ASSET:		(12,854,790)	4,637,840	(8,216,950)	-	-	(8,216,950)
45	283300.DT2015 DTL LT-PENSION PLAN:	Sched H-10, Col. (d), Ln. 9	138,655	(35,817)	102,839	(4,943)	(20,067)	77,828
46	283300.DT4040 DTL LT - Prepaid Expenses		(157,397)	-	(157,397)	7,566	30,713	(119,117)
47	283300.DT4070 DTL LT-REQUIRED BOND LOSS:		1,894	-	1,894	(91)	(370)	1,433
48	283301.DT4098 DTL LT - Deferred Regulatory		(13,152,184)	13,152,184	-	-	-	-
49	283300.DT4155 DTL LT - Reg PSC Pension Asset		-	-	-	-	-	-
50	283301.DT4156 DTL LT - Operating Lease		171,146	(171,146)	-	-	-	-
51	283301.DT4185 DTL LT - Winter Storm URI		-	-	-	-	-	-
52	283301.DT4440 DTL LT - DERIVATIVE NON-CURRE:		64,332	(64,332)	-	-	-	-
53	283301.DT4230 DTL LT - Goodwill Amortization		-	-	-	-	-	-
54	Total Temporary Differences	Sum Ln. (17 - 53)	\$ (26,526,636)	\$ 21,997,807	\$ (4,528,829)	\$ (177,288)	\$ (719,674)	\$ (5,425,790)
55								
56	Taxable Income	Sum Ln. (4 + 14 + 54)	30,249,537	(37,822,772)	(7,573,235)	(182,837)	(742,200)	(8,498,273)
57	Taxable Income	Ln. 56	\$ 30,249,537	\$ (37,822,772)	\$ (7,573,235)	\$ (182,837)	\$ (742,200)	\$ (8,498,273)
58								
59	Provision for Federal Income Tax:							
60	Federal Taxable Income		30,249,537	(37,822,772)	(7,573,235)	(182,837)	(742,200)	(8,498,273)
61	Total Federal Tax	21.00%	6,352,403	(7,942,782)	(1,590,379)	(38,396)	(155,862)	(1,784,637)
62								
63	Summary of Provision for Income Tax:							
64	Federal Income Tax		6,352,403	(7,942,782)	(1,590,379)	(38,396)	(155,862)	(1,784,637)
65								
66	Deferred Income Taxes:							
67	Deferred Income Tax	Ln. 54 x Fed Rate	5,570,593	(4,619,539)	951,054	37,230	151,131	1,139,416

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF FEDERAL INCOME TAX
FOR THE PRO FORMA PERIOD ENDING SEPTEMBER 30, 2026

COST OF SERVICE STUDY
Statement K

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(f)
Line No.	Description	Reference	Per Book Test Period	Adjustment	Adjusted Total Company Amount	Remove DC Tie	Remove CUS	Adjusted Amount
68								
69	Deferred Tax Adjustments							
70	AFUDC Equity Reg Asset Amortization		150,644	-	150,644	-	-	150,644
71	R&D Tax Credits		(334,240)	-	(334,240)	-	-	(334,240)
72	ITC Amortization		-	-	-	-	-	-
73	Flow Thru Federal Reg Asset		(2,699,506)	(464,201)	(3,163,706)	-	-	(3,163,706)
74	Production Tax Credits		(3,942,592)	-	(3,942,592)	-	-	(3,942,592)
75	ARAM Plant Protected EDFIT		(1,455,900)	(1,974,525)	(3,430,425)	60,170	515,078	(2,855,177)
76	ARAM Plant Non-Protected EDFIT		(367,763)	(368,368)	(736,131)	12,912	110,530	(612,690)
77	Amortization 1986 EDFIT		-	-	-	-	-	-
78	Allocated Service Company EDFIT Amortization		(82,857)	26,082	(56,775)	996	8,525	(47,254)
79	Total Deferred Tax Adjustments		\$ (8,732,213)	\$ (2,781,012)	\$ (11,513,225)	\$ 74,077	\$ 634,133	\$ (10,805,015)
80								
81	Total Income Tax		\$ 3,190,783	\$ (15,343,333)	\$ (12,152,550)	\$ 72,912	\$ 629,403	\$ (11,450,236)
82								
83	Interest Expense Sync with Rate Base							
84	Total Rate Base	Stmt M, Ln.26	1,081,974,059					925,201,322
85	X Wtd Cost of Debt	Stmt G, Ln.2	2.57%					2.57%
86	Interest Expense	Ln. 84 x Ln. 85	\$ 27,806,733					\$ 23,777,674
87								
88	Adjusted Interest Expense	Ln. 86	\$ 27,806,733					\$ 23,777,674