

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF COAL PRICING
FOR YEAR ENDING DECEMBER 31, 2024

COST OF SERVICE STUDY
Statement R
Page 1 of 6

(a)	(b)	(c)	(d)	(e)
Line No.	Description	Reference	Total Company	Applicable Sales to BHP/Cheyenne Light
1	Gross Mining Plant		\$ 171,945,241	
2	Accumulated Provision for Depreciation, Depletion and Amortization -- Mining Plant		110,635,357	
3	Net Mining Plant	Ln. 1 - Ln. 2	\$ 61,309,884	\$ 25,970,867
4				
5	Blending Facility		14,012,435	
6	Accumulated Provision for Depreciation		10,043,872	
7	Net Blending Facility	Ln. 5 - Ln. 6	\$ 3,968,563	\$ 1,688,227
8				
9	Processing Plant		39,230,895	
10	Accumulated Provision for Depreciation		27,686,074	
11	Net Processing Plant	Ln. 9 - Ln. 10	\$ 11,544,821	\$ 4,890,386
12				
13	Mining Investment for BHP/Cheyenne Light Sales		-	
14	Accumulated Provision for Depreciation		-	
15	Net Investment for Sales to BHP/Cheyenne Light	Ln. 13 - Ln. 14	\$ -	
16				
17				
18	Net Mining and Processing Plant	Ln. 3 + Ln. 7 + Ln. 11 + Ln. 15	\$ 76,823,268	\$ 32,549,480
19				
20	Unamortized Stripping Costs		-	-
21	Materials, Supplies and Prepayments		13,104,504	5,551,068
22	Total Utility Type Investment Base	Ln. 18 + Ln. 20 + Ln. 21	\$ 89,927,772	\$ 38,100,548
23				
24	Percent applicable to Blending Facility	Stmt R pg 3, Ln. 11		42.54%
25	Percent applicable to Processing	Stmt R pg 3, Ln. 14		42.36%
26	Percent applicable to Mining	Stmt R pg 3, Ln. 7		42.36%

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF COAL PRICING
FOR THE YEAR ENDING DECEMBER 31, 2024

COST OF SERVICE STUDY
Statement R
Page 2 of 6

(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Reference	Total WRDC	Applicable Sales to BHP/Cheyenne Light	Adjusted Sales to BHP/Cheyenne Light
1	Receipts from Coal Sales		\$ 68,923,257	\$ 26,841,965	\$ 26,841,965
2					
3	Operating Expenses				
4	Mining Expenses - Note (3)	Note (3)	21,541,820	9,125,115	9,125,115
5	Royalties		8,615,407	3,355,246	3,355,246
6	Production Tax		3,529,421	1,374,523	1,374,523
7	Severance Tax		3,681,428	1,433,722	1,433,722
8	Black Lung Tax		1,391,588	541,950	541,950
9	Blending Facility Expenses - Note (1)	Note (1)	1,379,548	586,860	586,860
10	Processing Expenses - Note (2)	Note (2)	3,438,084	1,456,372	1,456,372
11	Depreciation and Depletion of Mining Plant - Note (3)	Note (3)	6,465,434	2,738,758	2,738,758
12	Depreciation -- Blending Facility - Note (1)	Note (1)	518,740	220,672	220,672
13	Depreciation -- Processing Plant - Note (2)	Note (2)	1,873,329	793,542	793,542
14	Depreciation -- Investment for BHP/Cheyenne Light Sale		-	-	-
15	Federal Reclamation, FICA, and Unemployment - Note (3)	Note (3)	1,325,341	561,414	561,414
16	Total Operating Expenses		53,760,140	22,188,173	22,188,173
17					
18	Property Taxes				
19	Mining - Note (3)	Note (3)	537,153	227,538	227,538
20	Blending Facility - Note (1)	Note (1)	43,775	18,622	18,622
21	Processing - Note (2)	Note (2)	122,556	51,915	51,915
22	Investment for BHP/Cheyenne Light Sale		-	-	-
23	Total Property Taxes		703,484	298,075	298,075
24					
25	Total Operating Expenses (before Taxes)	Ln. 16 + Ln. 23	54,463,624	22,486,248	22,486,248
26					
27	Federal Income Tax - Note (4)	Stmt R, pg 4 Ln. 5	2,837,057	716,951	716,951
28	Total Operating Expenses	Ln. 25 + Ln. 27	\$ 57,300,681	\$ 23,203,199	\$ 23,203,199
29					
30	Net Mining Income	Ln. 1 - Ln. 28	11,622,575	3,638,766	3,638,766
31	Other non-mining income (net)		(634,935)		
32	Less: Interest on Long-term Debt		-		
33	Net Income	Sum Ln. 30 - 32	10,987,640		
34					
35	Utility Type Investment Base Applicable to Sales to BHP/Cheyenne Light	Stmt R, pg 1, Ln. 22, Col. (d)		38,100,548	38,100,548
36					
37	Utility Type Rate of Return Related to Sales to BHP/Cheyenne Light	Stmt R pg 5, Ln. 4		9.55%	9.55%
38					
39	Note (1) Percent applicable to Blending Facility.	Stmt R pg 3, Ln. 11		42.54%	
40	Note (2) Percent applicable to Processing.	Stmt R pg 3, Ln. 14		42.36%	
41	Note (3) Percent applicable to Mining.	Stmt R pg 3, Ln. 7		42.36%	
42	Note (4) Coal taxes calculated based on applicable sales to those subsidiaries.	Stmt R pg 4, Ln. 14		716,951	

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF COAL PRICING
FOR THE YEAR ENDING DECEMBER 31, 2024

COST OF SERVICE STUDY
Statement R
Page 3 of 6

(a)	(b)	(c)	(d)
Line No.	Description	Reference	Tons Sold
1	Total Coal Sold		\$ 3,686,050
2	Total Coal Sold - Wyodak Plant		1,500,619
3	Total Coal Sold - All Except Wyodak	Ln. 1 - Ln. 2	2,185,431
4			
5	Total Tons Sold - BHP Wyodak		349,757
6	Total Coal Sold - BHP Other/Wygen II/Wygen III		1,211,821
7	Percent Applicable to Mining	(Ln. 5 + Ln. 6) ÷ (Ln. 1)	42.36%
8			
9	Total Coal Sold by Blending Facility	BHP Other less NSII, Trucks, Wygen II & Wygen III	720,738
10	Other Coal Sold by Blending Facility		973,610
11	Percent Applicable to Processing Blending Facility	Ln. 9 ÷ (Ln. 9 + Ln. 10)	42.54%
12			
13	Total Coal Sold - Train Load Out		-
14	Percent Applicable to Processing	(Ln. 5 + Ln 6) ÷ (Ln. 1 - Ln. 13)	42.36%

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF COAL PRICING
FOR THE YEAR ENDING DECEMBER 31, 2024

COST OF SERVICE STUDY
Statement R
Page 4 of 6

(a)	(b)	(c)	(d)
Line No.	Description	Reference	Amount
1	Total Federal Income Tax Applicable to Mining Income		\$ 2,837,057
2			
3	Income before Federal Income Tax:		
4	Net Income		14,399,014
5	Federal Income Tax	Ln. 1	2,837,057
6	Mining Income Before Federal Income Tax	Ln. 4 + Ln. 5	<u>17,236,071</u>
7			
8	Unadjusted Receipts from Coal Sales	Stmt R pg 2, Ln. 1, Col. (e)	26,841,965
9			
10	Total Operating Expenses (before Taxes)	Stmt R pg 2, Ln. 23, Col. (e)	22,486,248
11			
12	Income before Federal Income Tax Applicable to BHP/Cheyenne Light	Ln. 8 - Ln. 10	4,355,717
13	Federal Income Tax Rate	Ln. 5 ÷ Ln. 6	16.46%
14	Federal Income Tax		<u><u>\$ 716,951</u></u>

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF COAL PRICING (WYODAK COST OF CAPITAL)
FOR THE YEAR ENDING DECEMBER 31, 2024

COST OF SERVICE STUDY

Statement R

Page 5 of 6

(a)	(b)	(c)	(d)	(e)
Line No.	Description	Percent of Total	Cost	Weighted Cost
1	For Period Ended as of December 31, 2024:			
2	Long-Term Debt	0.00%	0.00%	0.00%
3	Common Equity	100.00%	9.55%	9.55%
4	Rate of Return	100.00%		9.55%
5				
6	Utility A-rated Bonds	5.55%		
7	Plus 400 Basis Points	4.00%		
8	Return on Equity	9.55%		
9				
10	Weighted Cost of Equity	9.55%		
11	Weighted Cost of Debt	0.00%		
12	Weighted cost of Capital	9.55%		

BLACK HILLS POWER, INC., d/b/a BLACK HILLS ENERGY
COMPUTATION OF COAL PRICING
FOR THE YEAR ENDING DECEMBER 31, 2024

COST OF SERVICE STUDY

Statement R

Page 6 of 6

(a)	(b)	(c)	(d)
Line No.	Description	Reference	Amount
1	Price per Ton required to balance Affiliate Coal Adjustment to approximately \$0		\$ 17.19
2			
3	Coal Receipts from BHP/Cheyenne Light	Stmt R pg 2, Ln. 1, Col. (e)	26,841,965
4	Coal Receipts from BHP/Cheyenne Light as Adjusted	Stmt R pg 2, Ln. 1, Col. (f)	26,841,965
5	Difference in Coal Receipts BHP/Cheyenne Light/MDU	Ln. 3 - Ln. 4	<u>-</u>
6			
7	Annual Retail Energy Sales in South Dakota - MWH		1
8	Annual Total Energy Sales - MWH		1
9	Percent Applicable to South Dakota	Ln. 7 ÷ Ln. 8	<u>100%</u>
10	Affiliate Coal Adjustment	Ln. 5 x Ln. 9	<u><u>-</u></u>

Statement R - Part I
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power
Y2024

Line No.		Y2024	
		(1) Total Company	(2) Applicable Sales to BHP/CLFP
1	Gross Mining Plant (from Schedule B)	\$ 171,945,241	
2	Accumulated Provision for Depreciation, Depletion and Amortization -- Mining Plant (from Schedule B)	<u>110,635,357</u>	
3	Net Mining Plant (Line 1 less Line 2)	\$ 61,309,884	\$ 25,970,867 (a) 42.36%
4	Blending Facility (from Schedule B)	14,012,435	
5	Accumulated Provision for Depreciation (from Schedule B)	<u>10,043,872</u>	
6	Net Blending Facility (Line 4 less Line 5)	3,968,563	1,688,227 (b) 42.54%
7	Processing Plant (from Schedule B)	39,230,895	
8	Accumulated Provision for Depreciation (from Schedule B)	<u>27,686,074</u>	
9	Net Processing Plant (Line 7 less Line 8)	11,544,821	4,890,386 (c) 42.36%
10	Mining Investment for BHP/CLFP Sales*	0	
11	Accumulated Provision for Depreciation*	<u>0</u>	
12	Net Investment for Sales to BHP/CLFP (Line 10 less Line 11)	<u>-</u>	<u>-</u>
13	Net Mining and Processing Plant (Sum Lines 3, 6, 9, 12)	76,823,268	32,549,480
14	Unamortized Stripping Costs*		- (a)
15	Materials, Supplies and Prepayments*	<u>13,104,504</u>	<u>5,551,068</u> (a) 42.36%
16	Total Utility Type Investment Base (Sum Lines 13, 14, 15)	<u>\$ 89,927,772</u>	<u>\$ 38,100,548</u>

- (a) Percent Applicable to Mining (Part III, Line 6) 42.36%
(b) Percent Applicable to Blending Facility (Part III, Line 9) 42.54%
(c) Percent Applicable to Processing (Part III, Line 11) 42.36%

* from Input page

Gross Mining Plant (from Schedule B)	171,945,241
Blending Facility (from Schedule B)	14,012,435
Processing Plant (from Schedule B)	39,230,895
Mining Investment for BHP/CLFP Sales*	<u>0</u>
	225,188,571
Accumulated Provision for Depreciation, Depletion and Amortization -- Mining Plant (from Schedule B)	110,635,357
Accumulated Provision for Depreciation (from Schedule B)	10,043,872
Accumulated Provision for Depreciation (from Schedule B)	27,686,074
Accumulated Provision for Depreciation*	<u>0</u>
	148,365,303
Net Mining Plant (Line 1 less Line 2)	61,309,884
Net Blending Facility (Line 4 less Line 5)	3,968,563
Net Processing Plant (Line 7 less Line 8)	11,544,821
Net Investment for Sales to BHP/CLFP (Line 10 less Line 11)	<u>0</u>
	76,823,268

Statement R - Part II
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power/Cheyenne Light Fuel & Power

Line No.	Y2024			Adjusted			
	(1) Total Company	(2) Applicable Sales to BHP Ownership & CLFP	(3)				
1	Receipts from Coal Sales*	\$ 68,923,257	\$ 26,841,965	\$ 26,841,769	\$	196	(357,646) (219,865)
2	Operating Expenses:						- -
3	Mining Expenses (from Schedule B)	21,541,820	9,125,115 (a)	9,125,115			(1,404,759) (3,304,509)
4	Royalties*	8,615,407	3,355,246 0.3894 (c)	3,355,246			(44,681) (27,483)
4a	Royalty tax from prior year activity						- -
5	Production Tax*	3,529,421	1,374,523 0.3894 (e)	1,374,523			(12,640) 3,141
5a	Production tax from prior year activity						- -
6	Severance Tax*	3,681,428	1,433,722 0.3894 (e)	1,433,722			(12,747) 4,387
6a	Severance Tax from Prior Year activity						- -
7	Black Lung Tax*	1,391,588	541,950 0.3894 (e)	541,950			(1,701) 9,584
7a	Black Lung tax from prior year activity						- -
8	Blending Facility Expenses (from Schedule B)	1,379,548	586,860 (b)	586,860			19,549 43,127
9	Processing Expenses (from Schedule B)	3,438,084	1,456,372 (c)	1,456,372			1,009,396 2,383,398
10	Depreciation and Depletion of Mining Plant (from Schedule B)	6,465,434	2,738,758 (a)	2,738,758			(263,968) (619,810)
11	Depreciation -- Blending Facility (from Schedule B)	518,740	220,672 (b)	220,672			(3,670) (9,745)
12	Depreciation -- Processing Plant (from Schedule B)	1,873,329	793,542 (c)	793,542			271,881 642,416
13	Depreciation -- Investment for BHP/CLFP Sale*	-	-	-			- -
14	Federal Reclamation, FICA, and Unemployment*	1,325,341	561,414 (a)	561,414			(1,986) (4,060)
14a	Fed Reclamation tax from prior year activity						- -
15	Property Taxes:						- -
	Mining	537,153	227,538 (a)	227,538			(83) 58
	Blending Facility	43,775	18,622 (b)	18,622			1,023 2,316
	Processing	122,556	51,915 (c)	51,915			(223) (469)
	Investment for BHP/CLFP Sale	0	0	0			- -
	Total Operating Expenses (before Taxes)	54,463,624	22,486,248	22,486,248			(444,609) (877,649)
16	Federal Income Tax (from Part IV)	2,837,057	716,951 (d)	716,919			16,449 115,288
17	Total Operating Expenses	57,300,681	23,203,199	23,203,167			- -
18	Net Mining Income	11,622,575	3,638,766	3,638,602			70,514 542,496
19	Other non-mining income (net)	(634,935)					- (130,840)
20	Less: Interest on Long-term Debt*	-					- -
21	Net Income	\$ 10,987,640					- 411,656

22	Utility Type Investment Base Applicable to Sales to BHP/CLFP (from Part I)	38,100,548	38,100,548
23	Utility Type Rate of Return Related to Sales to BHP/CLFP	9.55%	9.55%
(a)	Percent Applicable to Mining (Part III, Line 6)		42.36%
(b)	Percent Applicable to Blending Facility (Part III, Line 9)		42.54%
(c)	Percent Applicable to Processing (Part III, Line 11)		42.36%
(d)	Amount Applicable to BHP/CLFP (Part IV, Line 11)	716,951	
(e)	Coal taxes calculated based on applicable sales to those subsidiaries		

Note: An "*" designates the column I amount comes from the Input page

Receipts for Coal Sales - BHP	25,704,000	\$	26,841,769
See Attached Note			
Receipts for Coal Sales - BHP (in thousands \$)	25,704.000		

BREAKDOWN BELOW TO HELP RECONCILE:

Receipts from Coal Sales*		\$	26,841,769	
Mining Expenses (from Schedule B)			(9,125,115)	
Royalties*			(3,355,246)	
Production Tax*			(1,374,523)	
Severance Tax*			(1,433,722)	
Black Lung Tax*			(541,950)	
Blending Facility Expenses (from Schedule B)			(586,860)	
Processing Expenses (from Schedule B)			(1,456,372)	
Depreciation and Depletion of Mining Plant (from Schedule B)			(2,738,758)	
Depreciation -- Blending Facility (from Schedule B)			(220,672)	
Depreciation -- Processing Plant (from Schedule B)			(793,542)	
			<u>(21,626,759)</u>	
		\$	5,215,010	
Federal Reclamation, FICA, and Unemployment*			(561,414)	
Mining			(227,538)	
Blending Facility			(18,622)	
Processing			(51,915)	
Investment for BHP/CLFP Sale			<u>0</u>	
			(859,489)	
			(22,486,248)	
Net Mining Income			<u>(3,638,602)</u>	Income before Federal Income Tax Applicable to BHP/CLFP
			(4,498,091)	
Federal Income Tax (from Part IV)		\$	716,919	

Statement R - Part III
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power
Y2024

<u>Line No.</u>		Y2024		
1	Total Coal Sold	3,686,050	3,667,404	18,646
2	Total Coal Sold - Wyodak Plant	<u>1,500,619</u>	1,486,574	14,045
3	Total Coal Sold - All Except Wyodak	2,185,431	2,180,830	4,601
4	Total Tons Sold - BHP Wyodak	349,757	346,925	2,832
5	Total Coal Sold - BHP Other/Wygen II/Wygen III	1,211,821	1,207,249	4,572
6	Percent Applicable to Mining ((Line 4+Line 5)/Line 1)	42.36%	42.38%	(0)
7	Total Coal Sold by Blending Facility (BHP Other less NSII, Trucks, Wygen II & Wygen III)	720,738	717,992	2,747
8	Other Coal Sold by Blending Facility	973,610	973,582	28
9	Percent Applicable to Processing Blending Facility (Line 7/(Line 7+Line 8))	42.54%	42.45%	0
10	Total Coal Sold - Train Load Out	0	-	-
11	Percent Applicable to Processing (Line 4+Line 5)/(Line 1-Line 10)	42.36%	42.38%	(0)

Statement R - Part IV
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power
Y2024

<u>Line No.</u>		Y2024
1	Total Federal Income Tax Applicable to Mining Income (from Schedule A)	\$ 2,837,057
2	Income before Federal Income Tax:	
3	Net Income	14,399,014
4	Plus Federal Income Tax	<u>2,837,057</u>
5	Mining Income Before Federal Income Tax	17,236,071
<hr/>		
6	Unadjusted Receipts from Coal Sales (from Part II)	26,841,965
7	Total Operating Expenses (from Part II)	<u>22,486,248</u>
9	Income before Federal Income Tax Applicable to BHP/CLFP	4,355,717
10	Federal Income Tax Rate (Line 4/Line 5)	<u>16.46%</u>
11	Federal Income Tax	<u><u>\$ 716,951</u></u>

Statement R - Part IV (b)
Wyodak Resources Development Corporation
Income Tax Estimate

	<u>Amount</u>
Revenues*	\$ 173,327
Interest Expense on Long Term Debt*	
Other Non-Mining Income Adjustment (net)*	
Severance Tax (from Schedule C)	8,982
Production Tax (from Schedule C)	8,762
Royalty Tax (from Schedule C)	21,666
Black Lung Tax (from Schedule C)	-
Subtotal expense adjustments	<u>39,410</u>
Taxable Income Impact	133,918
Income Taxes (from Schedule A)	16.46% <u>22,043</u>
Net income impact	<u><u>\$ 111,875</u></u>

*From Input Page

Statement R - Part V
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power

Y2024

<u>Return on Rate Base</u>	<u>Percentage</u>
Utility A-rated Bonds	5.55%
Plus 400 Basis Points	4.00%
Return on Equity	<u>9.55%</u>

Statement R - Part VI
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power

<u>Line No.</u>	<u>Amount</u>
Price per Ton required to balance Affiliate Coal Adjustment to approximately \$0.00	Y2024 \$ 17.18900
1 Coal Receipts from BHP/CLFP (from Input page)	\$ 26,841,965
2 Coal Receipts from BHP/CLFP as Adjusted (from Part II)	<u>\$ 26,841,769</u>
3 Difference in Coal Receipts BHP/CLFP/MDU (Line 1 - Line 2)	196
4 Annual Retail Energy Sales in South Dakota - MWH	1
5 Annual Total Energy Sales - MWH	1
6 Percent Applicable to South Dakota (Line 4/Line 5)	100.00%
7 Affiliate Coal Adjustment (Line 3 x Line 6)	<u><u>\$ 196</u></u>

Statement R - Schedule A
Wyodak Resources Development Corporation
Allocation of Federal Income Tax to Operating Income and Non-Operating Income

<u>Line No.</u>		<u>Y2024 Amount</u>
1	Mining Income before Federal Income Tax*	\$ 17,236,071
2	Non-Operating Income before Federal Income Tax*	(760,559)
3	Tax Exempt Interest and Dividends:	
	Tax Exempt -- Non AMT*	-
	Tax Exempt -- AMT*	-
	Preferred Dividends Percentage and Amount 0% <u> -</u>	
	Total	-
4	Non-Operating Income Excluding Tax Exempt Interest and Dividends (Line 2 less Line 3)	(760,559)
	Income Subject to Federal Income Tax (Line 1 plus Line 4)	16,475,512
6	Federal Income Tax*	2,711,433
7	Federal Income Tax as a Percentage of Income (Rate from Tax or Line 27/Line25)	16.46%
8	Federal Income Tax Applicable to Mining income (Line 7 x Line 1)	\$ 2,837,057

*Amounts come from the Input page.

Statement R - Schedule B
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power / Cheyenne Light Fuel & Power

	Y2024			
Blending Facility	Amount	Allocation of Mining/Processin g	Allocation of A&G Expenses	Total
Asset Cost	\$ 6,717,154	\$ 7,295,281		\$ 14,012,435
Reserve for Depreciation	5,955,972	4,087,900		10,043,872
Depreciation Expense	89,109	429,631		518,740
Operating Expense	145,079		1,234,469	1,379,548
Processing	Amount	Allocation of Mining/Processin g	Allocation of A&G Expenses	Total
Cost	33,766,948	5,463,947		39,230,895
Reserve for Depreciation	24,624,359	3,061,715		27,686,074
Depreciation Expense	1,551,549	321,780		1,873,329
Operating Expense	2,513,504		924,580	3,438,084
Mining	Amount	Allocation of Mining/Processin g	Allocation of A&G Expenses	Total
Cost	156,074,374	15,870,866		171,945,241
Reserve for Depreciation and Depletion	101,742,141	8,893,217		110,635,357
Depreciation and Depletion Expense	5,530,773	934,660		6,465,434
Operating Expense	18,856,236	-	2,685,584	21,541,820

Mining/Processing	Amount	Allocation of Mining/Processin g	Allocation of A&G Expenses	Total
Cost	28,630,094	(28,630,094)		-
Reserve for Depreciation	16,042,831	(16,042,831)		-
Depreciation Expense	1,686,072	(1,686,072)		-
Operating Expense	4,844,632		(4,844,632)	-

TESTING OF TOTALS FROM ABOVE

Cost	225,188,570	-	-	225,188,570
Reserve for Depreciation	148,365,303	-	-	148,365,303
Depreciation Expense	8,857,503	-	-	8,857,503
Operating Expense	26,359,452	-	-	26,359,452
	1			
	(1)			
	0	225,188,570	0	
	0	148,365,303	(0)	
	0	8,857,503	0	
	0	26,359,452	0	

		<u>BASE MODEL</u>
		Y2024
<hr/>		
Assets Included in Rate Base (Excludes Rental, Clovis & BHCG)		
Mining	M	142,969,870
Inventory from Balance Sheet		12,140,473
Prepaid Assets from Balance Sheet		306,365
Investments		657,666
Mining with Inventory, Prepays & Other Assets included.	M	156,074,374
M/P= Mining / Processing	MP	28,630,094
TLO (Truck Loadout)	PT	6,717,154
Processing	P	33,766,948
BH Only	BH	-
		<hr/> 225,188,570
Accum Depreciation on Assets Included in Rate Base:		
Mining		89,854,234
Corp Accum Depr for Mining		1,311,644
Depreciation Accrual		-
FAS 143 ARC Depreciation	No Accum	-
FASB 143 Accretion Expense	No Accum	-
Depletion		10,576,263
Adjusted Mining	M	101,742,141
M/P= Mining / Processing	MP	16,042,831
TLO (Truck Loadout)	PT	5,955,972
Processing	P	24,624,359
BH Only	BH	-
		<hr/> 148,365,303
Coal Tons Breakdown:		
Total Tons Sold	Coal Sale TONS	3,686,050
	CHECK FIGURE = 0	-
Tons Sold to Wyodak Plant (Pacifcorp)	Wyodak PPL	1,150,862
Tons Sold to Neil Simpson II		491,083
Tons Sold to WyGen I		425,332
Tons Sold to Wyodak Plant (BHP Only)		349,757
Tons Sold to Wyodak Plant, WYGEN I and NS II (Pacifcorp & BHP)		<hr/> 2,417,034
	BHP - Other Subtotal INCLUDES NS II.	491,083
	Wygen II - CLFP	461,744
	Wygen III - BHP	<hr/> 258,994
		-
Non-Arms Length Tons Sold at STMT R Pricing		1,211,821
	BHP - Other Subtotal	491,083
	LESS Tons Sold to Neil Simpson II	(491,083)
	Pete Lien	129,376
	Bentonite	-
	A Colloid	-
	Other Misc Truck Sales	180,180
	Wygen I - BHW	425,332
	Wygen II - CLFP	461,744
	Wygen III - BHP	258,994
	Wygen III - MDU	125,295
	Wygen III - COG	113,427
		<hr/>
	Mine Mouth Opportunity	-
Tons Sold that go through the Blending Facility (Truck Load Out, BHP Other excluding NS II, Wygen II & Wygen III)		1,694,348
Less Non-Arms Length Tons Sold at STMT R Pricing		(720,738)
Arms Length Tons Sold through Blending Facility not at Stmt R Pricing		973,610
		<hr/>
	<i>Note: Tons from Revenue report for Pete Lien, Bentonite Plants, Amer Colloid and Wyoben</i>	-
	DJ	-

		<u>BASE MODEL</u>		
		Y2024		

	Others	-		
Train Loadout Tons Sold		-		
Inventory from Balance Sheet		12,140,473		
Prepaid Assets from Balance Sheet		306,365		
Investments		657,666		
Materials and Supplies and Prepayments:		<u>13,104,504</u>		
Income Statement Calculation for Statement R:			Final Stmt R Adj may get booked to Coal Sale Miscellaneous with GCC	
Non Arms-Length Sales at Stmt R Pricing	BHP Other - NS2 with NS1 & BF	8,401,155	40,071	8,441,225.60
	BHP Wyodak Plant	5,998,097	13,872	6,011,969.20
	Black Hills Wyoming Wygen II - CLFP	7,897,577	39,341	7,936,917.60
	Black Hills Wyoming Wygen III - BHP	4,429,455	22,398	4,451,852.60
Subtotal Non Arms-Length Sales at Stmt R Pricing		26,726,283	115,682	26,841,965
Arms-Length Sales at Miscellaneous Pricing & Statement R Pricing	PacifiCorp Wyodak Plant	25,551,817		25,551,817
	Pete Lien	2,070,008		2,070,008
	Bentonite Plant	-		-
	American Colloid	-		-
GCC, Atlas, Stoker, TLO	Other Misc Truck Sales	3,045,047	-	3,045,047
	Black Hills Wyoming Wygen I	7,274,045	36,986.96	7,311,032
Subtotal of Arms-Length at Miscellaneous Pricing		37,940,917	36,987	37,977,904
	Plant Train Loadout	-		-
	Misc (Stoker Coal & Stmt R Accruals)	-		-
Subtotal of Arms-Length at Misc Pricing thru TLO		-		-
	Black Hills Wyoming Wygen III - MDU	2,142,881	10,808	2,153,689
	Black Hills Wyoming Wygen III - COG	1,939,849	9,850	1,949,699
Subtotal of Arms-Length Utilizing Statement R as Pricing		4,082,730	20,658	4,103,388
Arms-Length Sales at Miscellaneous Pricing & Statement R Pricing		42,023,646	57,645	42,081,291
Total Coal Sales	Coal Revenue	68,749,929	173,327	68,923,257
	Stmt R Excludes Lease Revenue (was below the line)	2,776,438		2,776,438
	Total Revenue	71,526,367	173,327	71,699,695
	GAS USED FOR OTHER UTILITY OPS	-	<--Dean LaPointe should reclass out the Gas Revenue	
Subtotal: O&M Costs less Royalty	Includes Gain or Loss on Equipment	21,514,819	22,056,213	(541,393)
Expense included but not itemized below		9,710		
Less Blending Facility Expenses		(145,079)		
Less Processing Expenses Other		(2,513,504)		
Less Exclude Clovis O&M and Other Items		(9,710)		68,749,929
Mining Expenses excluding Processing which is broken down below		<u>18,856,236</u>		
Administrative & General Expense and Corp Overhead		4,844,632	4,680,803.17	163,829.16
	PRC Truck Loadout Expense	145,079		
Blending Facility Expenses		<u>145,079</u>		
417750	PRC - CRUSHER	6,374		
417751	PRC - CONVEYOR BELT/AREA 2	13,520		
417752	PRC - RAIL MAINTENANCE	-		
417753	PRC - IN-PIT COAL HANDLING	1,182,545		

BASE MODEL

Y2024

417755	PRC - GENERAL PROCESSING	94,658
417756	PRC - OUT-PIT COAL HANDLING	620,916

		<u>BASE MODEL</u>		
		Y2024		
417757	PRC - GENERAL LABOR	457,687		
417758	PRC - FEEDER BREAKERS	139		
417759	PRC - GENERAL AREA 9	-		
417760	PRC - PLANT MAINTENANCE	137,665		
Processing Expenses Other		<u>2,513,504</u>		
R-1 Failure Operational Costs for Stmt R Customers Only	100% to Stmt R - No Alloc to Other Cust			
Exclude Expenses from Above				
Excluded (Clovis)		9,710		
Excluded (Rental)		-		
		<u>9,710</u>		
Stoker Coal O&M		-		
Exclude Gain on Sale of Asset for land		-		
Exclude Clovis O&M and Other Items		<u>-</u>		
		<u>9,710</u>		
Depreciation Expense (Excludes Rental, Clovis & BHCG)				
Adjusted Mining	Adjusted Mining	5,530,773		
M/P= Mining / Processing	M/P= Mining / Processing	1,686,072		
TLO (Truck Loadout)	TLO (Truck Loadout)	89,109		
Processing	Processing	1,551,549		
BH Only	BH Only	-		
			PY & CY Adj Stmt R Taxes	Adjusted Taxes
Royalties		8,593,741	21,666	8,615,407
Production Tax		3,520,659	8,762	3,529,421
Severance Tax		3,672,447	8,982	3,681,428
Reclamation Fee		825,675	-	825,675
Black Lung Tax		1,391,588	-	1,391,588
Payroll Taxes (Loadings reclass into Controllable costs)		499,666		
Property Tax		703,484		
Interest on Long Term Debt		-		
OTHER NON-MINING INCOME (NET)		(760,559)		
Mining Income Before Federal Income Tax		14,449,923		
MINING INCOME BEFORE FEDERAL INCOME TAX (ADDS BACK IN EXCL DEPR & CLOVIS O&M)		17,236,071		
Non-Operating Income before FIT		(760,559)		
TAX EXEMPT - NON AMT	*	-		
TAX EXEMPT - AMT	*	-		
PREFERRED DIVIDEND PERCENTAGE	*	0%		
FEDERAL INCOME TAX		(2,698,137)	(13,295.83)	(2,711,433)
RETAIL ENERGY SALES IN SD		1		
TOTAL ENERGY SALES - MWH		1		
COMMON EQUITY	Common Stock	183,000,000		

	<u>BASE MODEL</u>
	Y2024
----- UTILITY A RATED BONDS	5.55%

Note: Amounts to input are in blue font. Additional inputs needed on "Coal Taxes" tab.

Current Year Ending Accum DD&A	149,783,074
Less Current Year Depr in Stmt R	8,867,212
Accum DD&A Prior Year	<u>140,915,862</u>
Excluded PP&E for Rental, Clovis & BHCG	1,717,962
Excluded Accum Depr for Rental, Clovis & BHCG	<u>-1,417,771</u>
Excluded Net PP&E for Rental, Clovis & BHCG	300,192
Rate Base PP&E (Excludes Rental, Clovis & BHCG)	225,188,570
Accum Depr (Excludes Rental, Clovis & BHCG)	<u>(148,365,303)</u>
Net PPE (Only) - Rate Base	76,823,266

Investment Base Reconciliation

PP&E Net from Balance Sheet (deduct the BL Dep, Inv, Prepaids & Other Assets)	77,123,458
PeopleSoft - Black Lung Deposit	-
PeopleSoft - Inventory	12,140,473
PeopleSoft - Prepaid Asset	306,365
PeopleSoft - Def Tax Asset - Current	657,666
Less: Clovis Assets - Net Book Value	(300,192)
Less: Rental Assets - Net Book Value	-
PeopleSoft - Utility Rate Base	<u>89,927,770</u>
Stmt R - Part I - Checkpoint	<u>89,927,772</u>
Difference	(2)

Stmt R Spreadsheet Pretax Income Calc	14,325,715
Clovis Depr	(9,710)
Rental Depr	-
Clovis O&M Expenses	-
Stmt R Clovis Adjusted Op Income	<u>14,316,005</u>
Operating Income less Lease Revenue	<u>14,316,005</u>
Difference	-

Mining	147,000,174	(4,030,303)
Inventory 2001 Input from Balance Sheet	12,270,439	(129,967)
PrePaid Assets from Balance Sheet	162,828	143,537
PEP Insurance Investment	606,153	51,513
Mining with Inventory, Prepaids & Other Assets included.	160,039,594	(3,965,220)
M/P= Mining / Processing	26,516,094	2,114,000
Truck Loadout (TLO)	6,717,154	(0)
Processing	34,949,045	(1,182,097)
BH Only	-	-
	228,221,886	(3,033,317)
Accum Depreciation on Assets Included in Rate Base:	-	-
Mining	95,753,063	(5,898,829)
Corp Accum Depr for Mining	-	1,311,644
FAS 143 ARC Depreciation	-	-
FASB 143Accretion Expense	-	-
Depletion	10,576,263	-
Adjusted Mining	106,329,326	(4,587,185)
M/P= Mining / Processing	16,393,594	(350,763)
Truck Loadout (TLO)	5,949,944	6,028
Processing	23,970,053	654,306
BH Only	-	-
	152,642,916	(4,277,613)
Coal Tons Breakdown:	-	-
Total Tons Sold	3,667,404	18,646
CHECK FIGURE = 0	-	-
Tons Sold to Wyodak Plant (Pacifcorp)	1,139,648	11,214
Tons Sold to Neil Simpson II	489,257	1,826
Tons Sold to WyGen I - BHW	424,466	866
Tons Sold to Wyodak Plant (BHP Only)	346,925	2,832
Tons Sold to Wyodak Plant, WYGEN I and NS II (Pacifcorp & BHP)	2,400,297	16,737
Neil Simpson II - BHP Other	489,257	1,826
Wygen II - CLFP	458,821	2,923
Wygen III - BHP	259,171	(176)
Non-Arms Length Tons Sold at STMT R Pricing	1,207,249	4,573
Neil Simpson II - BHP Other	489,257	1,826
Tons Sold to Neil Simpson II	(489,257)	(1,826)
Pete Lien (Contract until 12/31/2023)	129,282	93
Bentonite (Contract until 12/31/2023)	-	-
Amer Colloid (Contract until 12/31/2022)	-	-
Atlas (Contract until 12/31/2022 for 30-40K Tons) and New Truck Customers	180,948	(768)
Wygen I - BHW (At Stmt R 1/1/2022-concurrent with new PPA)	424,466	866
Wygen II - CLFP	458,821	2,923
Wygen III - BHP	259,171	(176)
Wygen III - MDU	125,380	(86)
Wygen III - COG	113,505	(78)
	-	-
	-	-
Tons Sold that go through the Blending Facility (Only Trucks, BHP Other excluding NS II, Wygen II & Wygen III)	1,691,573	2,774
Less Non-Arms Length Tons Sold at STMT R Pricing	(717,992)	(2,747)
Arms Length Tons Sold through Blending Facility	973,582	28
Note: Tons from Revenue report for MDU, COG, Wygen I, Pete Lien, Bentonite Plants, Amer Colloid and Wyoben	-	-
	-	-

	0	-	-
Train Loadout Tons Sold		-	-
		-	-
Inventory 2001 Input from Balance Sheet	12,270,439	(129,967)	
PrePaid Assets from Balance Sheet	162,828	143,537	
PEP Insurance Investment	606,153	51,513	
Materials and Supplies and Prepayments:	13,039,420	65,083	
		-	
		-	
		-	
		-	
Neil Simpson II - BHP Other	8,562,429	(161,275)	
		5,998,097	
		-	
		7,897,577	
		4,429,455	
Subtotal Non Arms-Length Sales at Stmt R Pricing	27,199,415	(473,132)	
		-	
		25,551,817	
		2,070,008	
		-	
		-	
		3,045,047	
		7,274,045	
		-	
Subtotal of Arms-Length at Miscellaneous Pricing	32,636,463	5,304,453	
		-	
		-	
Not in GL for Dec		-	
Subtotal of Arms-Length at Misc Pricing thru TLO	5,126,539	(5,126,539)	
		-	
		2,142,881	
		1,939,849	
Subtotal of Arms-Length Utilizing Statement R as Pricing	4,180,704	(97,975)	
		-	
Arms-Length Sales at Miscellaneous Pricing & Statement R Pricing	41,943,707	79,939	
		-	
Total Coal Sales	69,143,122	(393,193)	
Lease Revenue	2,784,189	(7,751)	
	71,927,311	(400,944)	
		-	
Subtotal: O&M Costs less Royalty	22,181,275	(666,456)	
		9,710	
Less Blending Facility Expenses	(45,634)	(99,444)	
Less Processing Expenses Other	(87,795)	(2,425,710)	
Less Exclude Clovis O&M	-	(9,710)	
Mining Expenses	22,047,846	(3,191,610)	
	0	-	
Administrative & General Expense and Corp Overhead	5,056,161	(211,529)	
	0	-	
		-	
		145,079	
Blending Facility Expenses	45,634	99,444	
		-	
		6,374	
		13,520	
		-	
	0	-	1,182,545

94,658
620,916

		457,687
		139
		-
		137,665
Processing Expenses Less Costs for the Blending Facility	87,795	2,425,710
	0	-
		-
		-
		-
Excluded (Railroad)	8,308	1,402
Excluded (Rental)	-	-
	0	(285,911)
	0	-
		-
		-
Exclusions	(285,911)	295,620
	0	-
Depreciation Expense (Excludes Rental, Clovis & BHC)	-	-
Adjusted Mining	6,119,588	(588,815)
M/P= Mining / Processing	1,744,699	(58,627)
Truck Loadout (TLO)	83,081	6,028
Processing	897,274	654,275
BH Only	-	-
	0	-
Royalties	8,642,890	(49,149)
Production Tax	3,526,280	(5,621)
Severance Tax	3,677,042	(4,595)
Reclamation Fee	821,499	4,177
Black Lung Tax	1,382,004	9,584
Payroll Taxes	507,903	(8,237)
Property Tax	701,578	1,906
	0	-
Interest on Long Term Debt	-	-
	0	-
		-
OTHER NON-MINING INCOME (NET)	(602,854)	(157,704)
		-
Mining Income Before Federal Income Tax	14,087,759	362,164
	0	-
		-
MINING INCOME BEFORE FEDERAL INCOME TAX (ADDS BACK IN EXCL DEPR & CLOVIS O&M)	16,586,038	650,033
	0	-
Non-Operating Income before FIT	(602,854)	(157,704)
	0	-
TAX EXEMPT - NON AMT	-	-
	0	-
TAX EXEMPT - AMT	-	-
	0	-
PREFERRED DIVIDEND PERCENTAGE	-	-
	0	-
FEDERAL INCOME TAX	2,623,009	(75,128)
	0	-
RETAIL ENERGY SALES IN SD	1	-
TOTAL ENERGY SALES - MWH	1	-
	0	-
COMMON EQUITY	136,157,590	46,842,410
	0	-

UTILITY A RATED BONDS	0	0
	0	-
	0	-
	0	-
Note: Amounts to input are in blue font. Additional inputs needed on "Coal Taxes" tab.	-	-
	0	-
	0	-
	0	-
Current Year Ending Accum DD&A	154,059,285	(4,276,211)
Less Current Year Depr in Stmt R	8,852,950	14,262
Accum DD&A Prior Year	145,206,335	(4,290,474)
	0	-
Excluded PP&E for Rental, Clovis & BHCG	1,717,962	-
Excluded Accum Depr for Rental, Clovis & BHCG	(1,416,369)	(1,402)
Excluded Net PP&E for Rental, Clovis & BHCG	301,593	(1,402)
	0	-
Rate Base PP&E (Excludes Rental, Clovis & BHCG)	228,221,886	(3,033,317)
Accum Depr (Excludes Rental, Clovis & BHCG)	(152,642,916)	4,277,613
Net PPE (Only) - Rate Base	75,578,970	1,244,296
	0	-
Investment Base Reconciliation	-	-
PP&E Net from Balance Sheet (deduct the BL Dep, Inv, Prepays & Other Assets)	75,880,563	1,242,895
		-
Inventory	12,270,439	(129,967)
Prepaid Asset	162,828	143,537
Def Tax Asset - Current	606,153	51,513
Less: Clovis Assets - Net Book Value	(301,593)	1,402
Less: Rental Assets - Net Book Value	-	-
Utility Rate Base	88,618,390	1,309,380
Stmt R - Part I - Checkpoint	88,618,389	1,309,383
Difference	1	(3)
	0	-
	0	-
Stmt R Spreadsheet Pretax Income Calc	16,586,038	(2,260,323)
Clovis Depr	(8,308)	(1,402)
Rental Depr	-	-
Clovis O&M Expenses	-	-
Stmt R Clovis Adjusted Op Income	16,871,948	(2,555,943)
Operating Income	16,871,948	(2,555,943)
Difference	-	-