

MONTANA-DAKOTA UTILITIES CO.
GAS UTILITY -
SOUTH DAKOTA
Embedded Class Cost of Service Study
Twelve Months Ended
June 30, 2012 Pro Forma

	Allocation Factor	Total South Dakota	Residential			Total Residential
			Demand	Energy	Customer	
Rate Base						
Gas Plant in Service						
Production Plant	3	2,138,237	0	1,094,091	0	1,094,091
Distribution Plant						0
Land	13	68,375	37,186	0	0	37,186
Rights of Way	13	99,155	53,929	0	0	53,929
Structures & Improvements	13	122,184	66,453	0	0	66,453
Mains \$37,157,350						
Demand Related 100%	5	37,303,542	20,288,152	0	0	20,288,152
Meas. & Reg. Equip. - General	13	507,607	276,071	0	0	276,071
Meas. & Reg. Equip. - City Gate	13	1,027,784	558,978	0	0	558,978
Services	17	13,163,083	0	0	11,278,386	11,278,386
Meters	10	13,273,264	0	0	9,169,756	9,169,756
Service Regulators	10	1,450,865	0	0	1,002,322	1,002,322
Ind. Meas. & Reg. Station Equipment	13	63,429	34,497	0	0	34,497
Cathodic Protection & Other Equipment	13	292,461	159,059	0	0	159,059
Distribution Plant		67,371,749	21,474,325	0	21,450,464	42,924,789
General Plant	15	12,936,915	4,123,561	0	4,118,979	8,242,540
Intangible Plant - General	15	150,286	47,903	0	47,849	95,752
Common Plant	15	2,872,747	915,670	0	914,653	1,830,323
Intangible Plant - Common	15	2,639,469	841,315	0	840,379	1,681,694
Gas Plant Leased to Others	15	0	0	0	0	0
Total Gas Plant in Service		88,109,403	27,402,774	1,094,091	27,372,324	55,869,189

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Less: Accumulated Depreciation						
Production Plant	3	69,951	0	35,792	0	35,792
Distribution Plant						
Rights of Way	13	9,953	5,413	0	0	5,413
Structures & Improvements	13	53,717	29,215	0	0	29,215
Mains	13	20,162,757	10,965,851	0	0	10,965,851
Meas. & Reg. Equip. - General	18	177,043	96,287	0	0	96,287
Meas. & Reg. Equip. - City Gate	13	334,923	182,153	0	0	182,153
Services	17	11,151,761	0	0	9,555,047	9,555,047
Meters	10	3,917,673	0	0	2,706,500	2,706,500
Service Regulators	13	635,217	345,473	0	0	345,473
Ind. Meas. & Reg. Station Equipment	13	36,921	20,081	0	0	20,081
Property on Customer Premise	13	(4,483)	(2,439)	0	0	(2,439)
Cathodic Protection & Other Equipment	13	144,066	78,352	0	0	78,352
Distribution Plant		36,619,548	11,720,386	0	12,261,547	23,981,933
General Plant	15	3,972,511	1,266,215	0	1,264,806	2,531,021
Intangible Plant - General	15	150,287	47,903	0	47,850	95,753
Common Plant	15	1,286,020	409,911	0	409,455	819,366
Intangible Plant - Common	15	2,058,759	656,217	0	655,487	1,311,704
Less: Total Accumulated Reserve for Depreciation		44,157,076	14,100,632	35,792	14,639,145	28,775,569
Net Gas Plant in Service		43,952,327	13,302,142	1,058,299	12,733,179	27,093,620
CWIP in Service	15	1,618,134	515,770	0	515,197	1,030,967
Total Gas Plant in Service		45,570,461	13,817,912	1,058,299	13,248,376	28,124,587
Additions						
Materials & Supplies	15	479,295	152,773	0	152,603	305,376
Prepaid Insurance	24	123,687	37,436	2,978	35,833	76,247
Deferred FAS 106 Balance	24	15,864	4,800	382	4,596	9,778
Unamortized Loss on Debt	24	572,846	173,373	13,793	165,956	353,122
Total Additions		1,191,692	368,382	17,153	358,988	744,523
Total Before Deductions		46,762,153	14,186,294	1,075,452	13,607,364	28,869,110

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Deductions						
Accumulated Deferred Income Tax	24	(7,112,467)	(2,152,583)	(171,256)	(2,060,512)	(4,384,351)
Customer Guarantee	2	(1,049,613)	(569,126)	0	0	(569,126)
Customer Advances For Construction	Direct	(721,087)	(81,057)		0	(81,057)
Total Deductions		(8,883,167)	(2,802,766)	(171,256)	(2,060,512)	(5,034,534)
Total Rate Base		37,878,986	11,383,528	904,196	11,546,852	23,834,576
Income Statement						
Gas Operating Revenues						
Retail Sales & Transportation						
Residential	Direct	24,505,413	4,634,128	15,732,757	4,138,528	24,505,413
Firm General	Direct	16,801,746				
Air Force	Direct	1,168,276				
Small Interruptible	Direct	532,285				
Large Interruptible	Direct	474,137				
Total Sales & Transportation Revenues		43,481,857	4,634,128	15,732,757	4,138,528	24,505,413
Other Operating Revenue						
Miscellaneous						
Reconnect Fees	11	1,244	0	0	1,092	1,092
NSF Check Fees	11	18,465	0	0	16,220	16,220
Miscellaneous	24	9,965	3,015	240	2,887	6,142
Rent From Gas Property	24	209,639	63,445	5,048	60,733	129,226
Other Gas Revenues						
Miscellaneous	31	105,505	19,707	3,257	50,508	73,472
Miscellaneous	Direct	14,972				
Transport and Penalty Revenue - Net	24	17,007	5,147	410	4,927	10,484
Total Other Operating Revenue		376,797	91,314	8,955	136,367	236,636
Unbilled Revenue	26	(274,890)	(26,922)	(103,610)	(24,174)	(154,706)
Total Operating Revenues		43,583,764	4,698,520	15,638,102	4,250,721	24,587,343

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Operation & Maintenance Expenses						
Cost of Purchased Gas	Direct	28,093,760	4,634,128	10,146,118	0	14,780,246
Production Expense						
Production Expense	3	137,775	0	70,496	0	70,496
Other Gas Supply Expenses	3	52,946	0	27,091	0	27,091
Total Production Expense		190,721	0	97,587	0	97,587
Distribution Expenses						
Operation						
Load Dispatch	1	55,471	0	24,750	0	24,750
Mains and Services	22	721,936	290,226	0	161,340	451,566
Measuring Stations - General	18	11,188	6,084	0	0	6,084
Measuring Stations - Industrial	13	5,196	2,825	0	0	2,825
Measuring Stations - City Gate	13	44,863	24,400	0	0	24,400
Meters & House Regulators	16	131,140	0	0	90,596	90,596
Customer Installations	10	145,958	0	0	100,834	100,834
Other Gas Distribution	27	1,012,832	293,691	22,467	320,228	636,386
Rents	27	41,243	11,960	915	13,040	25,915
Supervision & Engineering	27	529,428	153,519	11,744	167,391	332,654
Total Operation Expense		2,699,255	782,705	59,876	853,429	1,696,010
Maintenance						
Structures & Improvements	13	0	0	0	0	0
Mains	13	169,021	91,924	0	0	91,924
Measuring Stations - General	18	56,954	30,976	0	0	30,976
Measuring Stations - Industrial	13	4,963	2,699	0	0	2,699
Measuring Stations - City Gate	13	9,513	5,173	0	0	5,173
Services	17	84,131	0	0	72,087	72,087
Meters & House Regulators	16	208,698	0	0	144,178	144,178
Other Equipment	28	71,255	17,473	0	28,897	46,370
Supervision & Engineering	28	89,292	21,896	0	36,211	58,107
Total Maintenance Expense		693,827	170,141	0	281,373	451,514

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			Demand	Energy	Customer	
Total Distribution Expenses		3,393,082	952,846	59,876	1,134,802	2,147,524
Customer Accounts	8	38,957	0	0	34,193	34,193
Meter Reading	10	131,893	0	0	91,117	91,117
Customer Records & Collection	8	910,313	0	0	799,000	799,000
Uncollectible Accounts	11	151,439	0	0	133,026	133,026
Miscellaneous Customer Accounts	8	71,296	0	0	62,579	62,579
Customer Service & Information	8	122,209	0	0	107,266	107,266
Sales Expenses	8	91,378	0	0	80,204	80,204
Administration & General Expenses	30	3,190,539	595,949	98,483	1,527,436	2,221,868
Total Gas O&M Expenses		36,385,587	6,182,923	10,402,064	3,969,623	20,554,610
O&M Excl. Cost of Gas and A&G		5,101,288	952,846	157,463	2,442,187	3,552,496
O&M Excl. Cost of Gas		8,291,827	1,548,795	255,946	3,969,623	5,774,364
Depreciation Expense						
Production Plant	3	71,813	0	36,745	0	36,745
Distribution Plant						
Rights of Way	13	1,486	808	0	0	808
Structures & Improvements	13	2,212	1,203	0	0	1,203
Mains	13	778,593	423,450	0	0	423,450
Meas. & Reg. Equip. - General	18	16,700	9,082	0	0	9,082
Meas. & Reg. Equip. - City Gate	13	29,439	16,011	0	0	16,011
Services	17	750,318	0	0	642,887	642,887
Meters	10	385,192	0	0	266,108	266,108
Service Regulators	13	22,744	12,370	0	0	12,370
Ind. Meas. & Reg. Station Equipment	13	1,542	838	0	0	838
Cathodic Protection & Other Equipment	13	7,338	3,991	0	0	3,991
Total Distribution Plant		1,995,564	467,753	0	908,995	1,376,748
General Plant	15	285,420	90,976	0	90,875	181,851
Common Plant	15	107,426	34,241	0	34,203	68,444
Amort. of Intangible Plant - Common	15	84,439	26,915	0	26,884	53,799
Total Depreciation Expense		2,544,662	619,885	36,745	1,060,957	1,717,587

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Taxes Other Than Income						
Ad Valorem Taxes-Production	3	46,126	0	23,602	0	23,602
Ad Valorem Taxes-Other	15	567,844	180,995	0	180,796	361,791
Other Taxes - Payroll, Franchise, Other	31	322,881	60,310	9,966	154,577	224,853
Other Taxes - Revenue	26	79,615	7,797	30,007	7,002	44,806
Total Taxes Other Than Income Taxes		1,016,466	249,102	63,575	342,375	655,052
Total Operating Expense		39,946,717	7,051,910	10,502,384	5,372,955	22,927,249
Interest Expense	24	1,290,136	390,460	31,064	373,758	795,282
Taxable Income Before Adjustments		2,346,911	(2,743,850)	5,104,654	(1,495,992)	864,812
Deductions						
Unrecovered Purchased Gas Cost	33	294,987	43,295	110,019	0	153,314
Other Income Tax Charges	24	8,303,710	2,513,112	199,940	2,405,621	5,118,673
Preferred Dividend Paid Deduction	24	14,286	4,325	344	4,139	8,808
Total Deductions		8,612,983	2,560,732	310,303	2,409,760	5,280,795
Taxable Income (Before State Income Tax)		(6,266,072)	(5,304,582)	4,794,351	(3,905,752)	(4,415,983)
Less: State Income Tax	35	0	0	0	0	0
Federal Taxable Income		(6,266,072)	(5,304,582)	4,794,351	(3,905,752)	(4,415,983)
Federal Income Tax						
@ Current Rate of 35%	35.00%	(2,193,125)	(1,856,604)	1,678,023	(1,367,013)	(1,545,594)
State Income Taxes	35	0	0	0	0	0
Credits and Adjustments	40	(9,977)	(2,966)	(359)	(2,791)	(6,116)
Rounding & Prior Year's Adjustments - Federal	24	(834,944)	(252,694)	(20,104)	(241,887)	(514,685)
Federal and State Income Taxes		(3,038,046)	(2,112,264)	1,657,560	(1,611,691)	(2,066,395)
Rounding & Prior Year's Adjustment - State	24	3,514	1,064	85	1,018	2,167
Federal & State Income Taxes		(3,034,532)	(2,111,200)	1,657,645	(1,610,673)	(2,064,228)
Deferred Income Taxes						
Unrecovered Purchased Gas Cost	33	(22,554)	(3,310)	(8,413)	0	(11,723)
Other Deferred Income Tax Chgs	24	2,943,778	890,934	70,881	852,825	1,814,640
Closing/Filing & Out of Period	24	853,613	258,345	20,554	247,295	526,194
Total Deferred Income Taxes		3,774,837	1,145,969	83,022	1,100,120	2,329,111
Total Operating Expenses		40,687,020	6,086,679	12,243,051	4,862,402	23,192,132
Total Operating Income		2,896,744	(1,388,159)	3,395,051	(611,681)	1,395,211

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Summary of Pro Forma Rate Base Adjustments						
Plant						
Plant Additions - Adj. A						
Production	3	(29,664)	0	(15,178)	0	(15,178)
Distribution		0				
Rights of Way	10	15,596	0	0	10,774	10,774
Mains-Demand Related	5	2,014,970	1,095,874	0	0	1,095,874
Meas. & Reg. Equip. City Gate	13	10,112	5,499	0	0	5,499
Meas. & Reg. Equip. General	13	240,606	130,858	0	0	130,858
Services	17	535,139	0	0	458,516	458,516
Positive Meters	10	595,218	0	0	411,202	411,202
Service Regulators	10	90,308	0	0	62,389	62,389
Cathodic Protection Equip	13	29,504	16,047	0	0	16,047
Total Distribution Plant Additions		3,531,453	1,248,278	0	942,881	2,191,159
General	15	393,363	125,381	0	125,243	250,624
Common	15	266,339	84,894	0	84,800	169,694
Common Intangible	8	2,068,219	0	0	1,815,319	1,815,319
Total Plant Additions - Adj. A		6,229,710	1,458,553	(15,178)	2,968,243	4,411,618
Accumulated Reserve for Depreciation						
Plant Additions - Adj. B						
Production	3	69,707	0	35,668	0	35,668
Distribution	23	2,340,849	750,180	0	739,310	1,489,490
General	15	275,624	87,855	0	87,756	175,611
Common	15	82,946	26,440	0	26,409	52,849
Common Intangible	8	267,891	0	0	235,132	235,132
Total Accumulated Reserve - Adj. B		3,037,017	864,475	35,668	1,088,607	1,988,750
Net Adjustment to Plant		3,192,693	594,078	(50,846)	1,879,636	2,422,868

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Additions						
Materials and Supplies - Adj. C	15	50,336	16,046	0	16,026	32,072
Prepaid Insurance - Adj. D	24	(11,535)	(3,490)	(278)	(3,342)	(7,110)
Unamortized Loss on Debt - Adj. E	24	(16,989)	(5,142)	(409)	(4,922)	(10,473)
Deferred FAS 106 Costs - Adj. F	24	(11,898)	(3,602)	(286)	(3,447)	(7,335)
Total		9,914	3,812	(973)	4,315	7,154
Deductions						
Accumulated Def. Inc. Tax						
Plant Additions - Adj. I	41	1,093,983	334,686	12,511	351,838	699,035
Normalization - Adj. J	24	(57,144)	(17,292)	(1,376)	(16,555)	(35,223)
Def. FAS 106 - Adj. F	24	(4,165)	(1,260)	(100)	(1,207)	(2,567)
Unamortized Loss on Debt - Adj. E	24	(6,733)	(2,039)	(162)	(1,951)	(4,152)
Customer Guarantee Adj. G	2	876,572	475,300	0	0	475,300
Customer Advances for Construction - Adj. H	Direct	9,485	5,184	0	0	5,184
Total		1,911,998	794,579	10,873	332,125	1,137,577
Total Pro Forma Adjustments - Rate Base		1,290,609	(196,689)	(62,692)	1,551,826	1,292,445
Pro Forma Adjustments - Operating Income						
Pro Forma Revenue Adjustments						
Revenue Adjustments - Adj. No. 1-3 to Proforma						
Residential	Direct	2,124,630	0	2,101,940	22,690	2,124,630
Firm General	Direct	1,779,167				
Air Force	Direct	4,616				
Small Interruptible	Direct	(36,568)				
Large Interruptible	Direct	(35,971)				
Total Retail Sales Adjustment		3,835,874	0	2,101,940	22,690	2,124,630
Unbilled Revenue	26	274,890	26,921	103,611	24,174	154,706
Total		4,110,764	26,921	2,205,551	46,864	2,279,336
Other Revenue - Adj. No. 4	23	(37,558)	(12,036)	0	(11,862)	(23,898)
Total Pro Forma Revenue Adjustments		4,073,206	14,885	2,205,551	35,002	2,255,438

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OPERATION & MAINTENANCE EXPENSES						
Cost of Gas - Adj. No. 5	Direct	3,480,480	0	1,629,989	0	1,629,989
Labor Expense - Adj. No. 6						
Other Gas Supply	30	2,459	459	76	1,177	1,712
Production	3	1,346	0	689	0	689
Distribution	29	182,617	51,283	3,223	61,073	115,579
Customer Accounting	8	46,814	0	0	41,090	41,090
Customer Service	8	5,395	0	0	4,735	4,735
Sales	8	4,768	0	0	4,184	4,184
A&G	30	57,593	10,758	1,778	27,571	40,107
Total -Labor Expense - Adj. No. 6		300,992	62,500	5,766	139,830	208,096
Benefits Expense - Adj. No. 7	30	(45,077)	(8,420)	(1,391)	(21,582)	(31,393)
Vehicles and Work Equip. - Adj. No. 8	30	2,641	493	82	1,264	1,839
Company Consumption - Adj. No. 9	30	3,418	638	106	1,634	2,378
Pierre Office Rental - Adj. No. 10	30	(31,305)	(5,847)	(966)	(14,986)	(21,799)
Uncollectible Accounts - Adj. No. 11	11	(9,486)	0	0	(8,333)	(8,333)
Postage - Adj. No. 12	8	6,085	0	0	5,341	5,341
Advertising - Adj. No. 13	8	(27,606)	0	0	(24,229)	(24,229)
Insurance Expense - Adj. No. 14	30	4,493	839	139	2,151	3,129
Industry Dues - Adj. No. 15	30	(14,595)	(2,726)	(451)	(6,987)	(10,164)
Regulatory Commission Expense - Adj. No. 16	30	113,158	21,136	3,493	54,173	78,802
Total		46,803	14,533	2,403	10,028	26,964
Total Adjustments to O&M		3,783,198	68,613	1,636,767	128,276	1,833,656
DEPRECIATION EXPENSE						
Average Annual Depreciation - Adj. No. 17						
Production Plant	3	(962)	0	(492)	0	(492)
Distribution Plant	23	938,672	300,820	0	296,461	597,281
General Plant	41	31,688	9,695	362	10,191	20,248
Common	8	276,063	0	0	242,307	242,307
Total Average Annual Depreciation Adj. 17		1,245,461	310,515	(130)	548,959	859,344

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TAXES OTHER THAN INCOME						
Ad Valorem Taxes - Adj. No. 18						
Production Plant	3	(228)	0	(116)	0	(116)
Distribution Plant	23	32,030	10,264	0	10,116	20,380
General Plant	41	4,134	1,266	47	1,330	2,643
Common Plant	41	4,071	1,246	47	1,309	2,602
Total Ad Valorem Taxes Adj. No. 18		40,007	12,776	(22)	12,755	25,509
Payroll Taxes - Adj. No. 19	31	21,798	4,072	673	10,435	15,180
Gross Revenue Tax- Adj. 20	26	(8,417)	(824)	(3,175)	(740)	(4,739)
Total Adjustments to Taxes Other than Income		53,388	16,024	(2,524)	22,450	35,950
CURRENT INCOME TAXES						
Interest Annualization - Adj. No. 21	24	(239,607)	(72,519)	(5,769)	(69,415)	(147,703)
Tax Depreciation on Plant Adds - Adj. No. 22	41	1,387,128	424,366	15,864	446,117	886,347
Other Tax Deductions - Adj. No. 23	24	1,400	421	34	406	861
		1,148,921	352,268	10,129	377,108	739,505
Net Adjustments to Operating Income		(2,157,762)	(732,535)	561,309	(1,041,791)	(1,213,017)
Income Taxes on Pro Forma Adj. - Adj. No. 24 0.35	(Calculated)	(755,217)	(256,387)	196,458	(364,627)	(424,556)
Elimination of Closing/Filing&Res. - Adj. No. 25	24	831,430	251,631	20,019	240,869	512,519
Total Adjustments to Current Income Taxes		76,213	(4,756)	216,477	(123,758)	87,963
DEFERRED INCOME TAXES						
Plant Additions - Adj. No. 22	41	485,496	148,529	5,552	156,141	310,222
Elimination of Closing/Filing - Adj. No. 25	24	(853,613)	(258,345)	(20,554)	(247,295)	(526,194)
Other Tax Deductions Adj. No. 23	24	11,368	3,440	274	3,293	7,007
Total Adjustments to Deferred Income Taxes		(356,749)	(106,376)	(14,728)	(87,861)	(208,965)
Total Adjustments:		(728,305)	(269,136)	369,689	(453,064)	(352,511)

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Total Small Firm General	Firm General > 500 cubic feet			Total Large Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
Rate Base										
Gas Plant in Service										
Production Plant	3	2,138,237	0	195,466	0	195,466	0	700,974	0	700,974
Distribution Plant										
Land	13	68,375	7,523	0	0	7,523	20,024	0	0	20,024
Rights of Way	13	99,155	10,909	0	0	10,909	29,037	0	0	29,037
Structures & Improvements	13	122,184	13,443	0	0	13,443	35,781	0	0	35,781
Mains \$37,157,350										
Demand Related 100%	5	37,303,542	4,104,278	0	0	4,104,278	10,924,302	0	0	10,924,302
Meas. & Reg. Equip. - General	13	507,607	55,849	0	0	55,849	148,652	0	0	148,652
Meas. & Reg. Equip. - City Gate	13	1,027,784	113,081	0	0	113,081	300,985	0	0	300,985
Services	17	13,163,083	0	0	1,267,648	1,267,648	0	0	597,106	597,106
Meters	10	13,273,264	0	0	1,030,646	1,030,646	0	0	2,790,546	2,790,546
Service Regulators	10	1,450,865	0	0	112,657	112,657	0	0	305,027	305,027
Ind. Meas. & Reg. Station Equipment	13	63,429	6,979	0	0	6,979	18,575	0	0	18,575
Cathodic Protection & Other Equipment	13	292,461	32,178	0	0	32,178	85,647	0	0	85,647
Distribution Plant		67,371,749	4,344,240	0	2,410,951	6,755,191	11,563,003	0	3,692,679	15,255,682
General Plant	15	12,936,915	834,193	0	462,958	1,297,151	2,220,361	0	709,079	2,929,440
Intangible Plant - General	15	150,286	9,691	0	5,378	15,069	25,794	0	8,237	34,031
Common Plant	15	2,872,747	185,239	0	102,804	288,043	493,049	0	157,457	650,506
Intangible Plant - Common	15	2,639,469	170,197	0	94,455	264,652	453,012	0	144,671	597,683
Gas Plant Leased to Others	15	0	0	0	0	0	0	0	0	0
Total Gas Plant in Service		88,109,403	5,543,560	195,466	3,076,546	8,815,572	14,755,219	700,974	4,712,123	20,168,316

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Firm General > 500 cubic feet			Total Large Firm General	
			Demand	Energy	Customer	Total Small Firm General	Demand	Energy		Customer
Less: Accumulated Depreciation										
Production Plant	3	69,951	0	6,395	0	6,395	0	22,932	0	22,932
Distribution Plant										
Rights of Way	13	9,953	1,095	0	0	1,095	2,915	0	0	2,915
Structures & Improvements	13	53,717	5,910	0	0	5,910	15,731	0	0	15,731
Mains	13	20,162,757	2,218,383	0	0	2,218,383	5,904,642	0	0	5,904,642
Meas. & Reg. Equip. - General	18	177,043	19,479	0	0	19,479	51,847	0	0	51,847
Meas. & Reg. Equip. - City Gate	13	334,923	36,850	0	0	36,850	98,082	0	0	98,082
Services	17	11,151,761	0	0	1,073,951	1,073,951	0	0	505,868	505,868
Meters	10	3,917,673	0	0	304,201	304,201	0	0	823,644	823,644
Service Regulators	13	635,217	69,889	0	0	69,889	186,023	0	0	186,023
Ind. Meas. & Reg. Station Equipment	13	36,921	4,062	0	0	4,062	10,812	0	0	10,812
Property on Customer Premise	13	(4,483)	(493)	0	0	(493)	(1,313)	0	0	(1,313)
Cathodic Protection & Other Equipment	13	144,066	15,851	0	0	15,851	42,190	0	0	42,190
Distribution Plant		36,619,548	2,371,026	0	1,378,152	3,749,178	6,310,929	0	1,329,512	7,640,441
General Plant	15	3,972,511	256,154	0	142,159	398,313	681,801	0	217,735	899,536
Intangible Plant - General	15	150,287	9,691	0	5,378	15,069	25,794	0	8,237	34,031
Common Plant	15	1,286,020	82,925	0	46,021	128,946	220,719	0	70,487	291,206
Intangible Plant - Common	15	2,058,759	132,752	0	73,674	206,426	353,344	0	112,842	466,186
Less: Total Accumulated Reserve for Depreciation		44,157,076	2,852,548	6,395	1,645,384	4,504,327	7,592,587	22,932	1,738,813	9,354,332
Net Gas Plant in Service		43,952,327	2,691,012	189,071	1,431,162	4,311,245	7,162,632	678,042	2,973,310	10,813,984
CWIP in Service	15	1,618,134	104,340	0	57,906	162,246	277,720	0	88,691	366,411
Total Gas Plant in Service		45,570,461	2,795,352	189,071	1,489,068	4,473,491	7,440,352	678,042	3,062,001	11,180,395
Additions										
Materials & Supplies	15	479,295	30,906	0	17,152	48,058	82,261	0	26,270	108,531
Prepaid Insurance	24	123,687	7,573	532	4,027	12,132	20,156	1,908	8,367	30,431
Deferred FAS 106 Balance	24	15,864	971	68	517	1,556	2,585	245	1,073	3,903
Unamortized Loss on Debt	24	572,846	35,073	2,464	18,653	56,190	93,353	8,837	38,752	140,942
Total Additions		1,191,692	74,523	3,064	40,349	117,936	198,355	10,990	74,462	283,807
Total Before Deductions		46,762,153	2,869,875	192,135	1,529,417	4,591,427	7,638,707	689,032	3,136,463	11,464,202

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Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Total Small Firm General	Firm General > 500 cubic feet			Total Large Firm General	
		Demand	Energy	Customer		Demand	Energy	Customer		
Deductions										
Accumulated Deferred Income Tax	24	(7,112,467)	(435,466)	(30,596)	(231,594)	(697,656)	(1,159,074)	(109,722)	(481,148)	(1,749,944)
Customer Guarantee	2	(1,049,613)	(113,117)	0	0	(113,117)	(303,078)	0	0	(303,078)
Customer Advances For Construction	Direct	(721,087)	(7,871)		0	(7,871)	(628,357)		0	(628,357)
Total Deductions		(8,883,167)	(556,454)	(30,596)	(231,594)	(818,644)	(2,090,509)	(109,722)	(481,148)	(2,681,379)
Total Rate Base		37,878,986	2,313,421	161,539	1,297,823	3,772,783	5,548,198	579,310	2,655,315	8,782,823
Income Statement										
Gas Operating Revenues										
Retail Sales & Transportation										
Residential	Direct	24,505,413								
Firm General	Direct	16,801,746	917,208	2,429,232	592,790	3,939,230	2,466,966	9,968,088	427,462	12,862,516
Air Force	Direct	1,168,276								
Small Interruptible	Direct	532,285								
Large Interruptible	Direct	474,137								
Total Sales & Transportation Revenues		43,481,857	917,208	2,429,232	592,790	3,939,230	2,466,966	9,968,088	427,462	12,862,516
Other Operating Revenue										
Miscellaneous										
Reconnect Fees	11	1,244	0	0	112	112	0	0	40	40
NSF Check Fees	11	18,465	0	0	1,657	1,657	0	0	588	588
Miscellaneous	24	9,965	610	43	324	977	1,624	154	674	2,452
Rent From Gas Property	24	209,639	12,835	902	6,826	20,563	34,164	3,234	14,182	51,580
Other Gas Revenues						0				0
Miscellaneous	31	105,505	3,987	582	5,420	9,989	10,611	2,087	6,111	18,809
Miscellaneous	Direct	14,972								
Transport and Penalty Revenue - Net	24	17,007	1,041	73	554	1,668	2,772	262	1,150	4,184
Total Other Operating Revenue		376,797	18,473	1,600	14,893	34,966	49,171	5,737	22,745	77,653
Unbilled Revenue	26	(274,890)	(5,328)	(16,962)	(3,460)	(25,750)	(14,332)	(65,369)	(2,493)	(82,194)
Total Operating Revenues		43,583,764	930,353	2,413,870	604,223	3,948,446	2,501,805	9,908,456	447,714	12,857,975

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Total Small Firm General	Firm General > 500 cubic feet			Total Large Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
Operation & Maintenance Expenses										
Cost of Purchased Gas	Direct	28,093,760	917,208	2,853,423	0	3,770,631	2,466,966	5,420,596	0	7,887,562
Production Expense										
Production Expense	3	137,775	0	12,595	0	12,595	0	45,167	0	45,167
Other Gas Supply Expenses	3	52,946	0	4,840	0	4,840	0	17,357	0	17,357
Total Production Expense		190,721	0	17,435	0	17,435	0	62,524	0	62,524
Distribution Expenses										
Operation										
Load Dispatch	1	55,471	0	4,422	0	4,422	0	15,857	0	15,857
Mains and Services	22	721,936	58,713	0	18,134	76,847	156,275	0	8,542	164,817
Measuring Stations - General	18	11,188	1,231	0	0	1,231	3,276	0	0	3,276
Measuring Stations - Industrial	13	5,196	572	0	0	572	1,522	0	0	1,522
Measuring Stations - City Gate	13	44,863	4,936	0	0	4,936	13,138	0	0	13,138
Meters & House Regulators	16	131,140	0	0	10,183	10,183	0	0	27,571	27,571
Customer Installations	10	145,958	0	0	11,333	11,333	0	0	30,686	30,686
Other Gas Distribution	27	1,012,832	59,415	4,014	35,993	99,422	158,141	14,394	60,637	233,172
Rents	27	41,243	2,419	163	1,466	4,048	6,440	586	2,469	9,495
Supervision & Engineering	27	529,428	31,057	2,098	18,814	51,969	82,664	7,524	31,696	121,884
Total Operation Expense		2,699,255	158,343	10,697	95,923	264,963	421,456	38,361	161,601	621,418
Maintenance										
Structures & Improvements	13	0	0	0	0	0	0	0	0	0
Mains	13	169,021	18,596	0	0	18,596	49,498	0	0	49,498
Measuring Stations - General	18	56,954	6,266	0	0	6,266	16,679	0	0	16,679
Measuring Stations - Industrial	13	4,963	546	0	0	546	1,453	0	0	1,453
Measuring Stations - City Gate	13	9,513	1,047	0	0	1,047	2,786	0	0	2,786
Services	17	84,131	0	0	8,102	8,102	0	0	3,816	3,816
Meters & House Regulators	16	208,698	0	0	16,205	16,205	0	0	43,876	43,876
Other Equipment	28	71,255	3,535	0	3,248	6,783	9,409	0	6,372	15,781
Supervision & Engineering	28	89,292	4,430	0	4,070	8,500	11,790	0	7,986	19,776
Total Maintenance Expense		693,827	34,420	0	31,625	66,045	91,615	0	62,050	153,665

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Total Small Firm General	Firm General > 500 cubic feet			Total Large Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
Total Distribution Expenses		3,393,082	192,763	10,697	127,548	331,008	513,071	38,361	223,651	775,083
Customer Accounts	8	38,957	0	0	3,493	3,493	0	0	1,240	1,240
Meter Reading	10	131,893	0	0	10,241	10,241	0	0	27,729	27,729
Customer Records & Collection	8	910,313	0	0	81,627	81,627	0	0	28,971	28,971
Uncollectible Accounts	11	151,439	0	0	13,590	13,590	0	0	4,823	4,823
Miscellaneous Customer Accounts	8	71,296	0	0	6,393	6,393	0	0	2,269	2,269
Customer Service & Information	8	122,209	0	0	10,958	10,958	0	0	3,889	3,889
Sales Expenses	8	91,378	0	0	8,194	8,194	0	0	2,908	2,908
Administration & General Expenses	30	3,190,539	120,561	17,595	163,892	302,048	320,894	63,097	184,804	568,795
Total Gas O&M Expenses		36,385,587	1,230,532	2,899,150	425,936	4,555,618	3,300,931	5,584,578	480,284	9,365,793
O&M Excl. Cost of Gas and A&G		5,101,288	192,763	28,132	262,044	482,939	513,071	100,885	295,480	909,436
O&M Excl. Cost of Gas		8,291,827	313,324	45,727	425,936	784,987	833,965	163,982	480,284	1,478,231
Depreciation Expense										
Production Plant	3	71,813	0	6,565	0	6,565	0	23,542	0	23,542
Distribution Plant										
Rights of Way	13	1,486	163	0	0	163	435	0	0	435
Structures & Improvements	13	2,212	243	0	0	243	648	0	0	648
Mains	13	778,593	85,664	0	0	85,664	228,010	0	0	228,010
Meas. & Reg. Equip. - General	18	16,700	1,837	0	0	1,837	4,891	0	0	4,891
Meas. & Reg. Equip. - City Gate	13	29,439	3,239	0	0	3,239	8,621	0	0	8,621
Services	17	750,318	0	0	72,258	72,258	0	0	34,036	34,036
Meters	10	385,192	0	0	29,909	29,909	0	0	80,982	80,982
Service Regulators	13	22,744	2,502	0	0	2,502	6,661	0	0	6,661
Ind. Meas. & Reg. Station Equipment	13	1,542	170	0	0	170	452	0	0	452
Cathodic Protection & Other Equipment	13	7,338	807	0	0	807	2,149	0	0	2,149
Total Distribution Plant		1,995,564	94,625	0	102,167	196,792	251,867	0	115,018	366,885
General Plant	15	285,420	18,404	0	10,214	28,618	48,987	0	15,644	64,631
Common Plant	15	107,426	6,927	0	3,844	10,771	18,438	0	5,888	24,326
Amort. of Intangible Plant - Common	15	84,439	5,445	0	3,022	8,467	14,492	0	4,628	19,120
Total Depreciation Expense		2,544,662	125,401	6,565	119,247	251,213	333,784	23,542	141,178	498,504

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Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Firm General > 500 cubic feet			Total Large Firm General		
		Demand	Energy	Customer	Total Small Firm General	Demand	Energy		Customer	
Taxes Other Than Income										
Ad Valorem Taxes-Production	3	46,126	0	4,217	0	4,217	0	15,121	0	15,121
Ad Valorem Taxes-Other	15	567,844	36,616	0	20,321	56,937	97,459	0	31,124	128,583
Other Taxes - Payroll, Franchise, Other	31	322,881	12,201	1,781	16,586	30,568	32,474	6,385	18,702	57,561
Other Taxes - Revenue	26	79,615	1,543	4,913	1,002	7,458	4,151	18,933	722	23,806
Total Taxes Other Than Income Taxes		1,016,466	50,360	10,911	37,909	99,180	134,084	40,439	50,548	225,071
Total Operating Expense		39,946,717	1,406,293	2,916,626	583,092	4,906,011	3,768,799	5,648,559	672,010	10,089,368
Interest Expense	24	1,290,136	78,989	5,550	42,009	126,548	210,245	19,903	87,276	317,424
Taxable Income Before Adjustments		2,346,911	(554,929)	(508,306)	(20,878)	(1,084,113)	(1,477,239)	4,239,994	(311,572)	2,451,183
Deductions										
Unrecovered Purchased Gas Cost	33	294,987	8,569	18,822	0	27,391	23,048	75,180	0	98,228
Other Income Tax Charges	24	8,303,710	508,400	35,720	270,383	814,503	1,353,203	128,099	561,734	2,043,036
Preferred Dividend Paid Deduction	24	14,286	875	61	465	1,401	2,328	220	966	3,514
Total Deductions		8,612,983	517,844	54,603	270,848	843,295	1,378,579	203,499	562,700	2,144,778
Taxable Income (Before State Income Tax)		(6,266,072)	(1,072,773)	(562,909)	(291,726)	(1,927,408)	(2,855,818)	4,036,495	(874,272)	306,405
Less: State Income Tax	35	0	0	0	0	0	0	0	0	0
Federal Taxable Income		(6,266,072)	(1,072,773)	(562,909)	(291,726)	(1,927,408)	(2,855,818)	4,036,495	(874,272)	306,405
Federal Income Tax										
@ Current Rate of 35%	35.00%	(2,193,125)	(375,471)	(197,018)	(102,104)	(674,593)	(999,536)	1,412,773	(305,995)	107,242
State Income Taxes	35	0	0	0	0	0	0	0	0	0
Credits and Adjustments	40	(9,977)	(600)	(63)	(314)	(977)	(1,597)	(236)	(652)	(2,485)
Rounding & Prior Year's Adjustments - Federal	24	(834,944)	(51,120)	(3,592)	(27,187)	(81,899)	(136,066)	(12,880)	(56,483)	(205,429)
Federal and State Income Taxes		(3,038,046)	(427,191)	(200,673)	(129,605)	(757,469)	(1,137,199)	1,399,657	(363,130)	(100,672)
Rounding & Prior Year's Adjustment - State	24	3,514	215	15	114	344	573	54	238	865
Federal & State Income Taxes		(3,034,532)	(426,976)	(200,658)	(129,491)	(757,125)	(1,136,626)	1,399,711	(362,892)	(99,807)
Deferred Income Taxes										
Unrecovered Purchased Gas Cost	33	(22,554)	(655)	(1,439)	0	(2,094)	(1,762)	(5,748)	0	(7,510)
Other Deferred Income Tax Chgs	24	2,943,778	180,235	12,663	95,854	288,752	479,729	45,413	199,142	724,284
Closing/Filing & Out of Period	24	853,613	52,263	3,672	27,795	83,730	139,108	13,168	57,746	210,022
Total Deferred Income Taxes		3,774,837	231,843	14,896	123,649	370,388	617,075	52,833	256,888	926,796
Total Operating Expenses		40,687,020	1,211,160	2,730,864	577,250	4,519,274	3,249,248	7,101,103	566,006	10,916,357
Total Operating Income		2,896,744	(280,807)	(316,994)	26,973	(570,828)	(747,443)	2,807,353	(118,292)	1,941,618

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Firm General > 500 cubic feet			Total Large Firm General	
			Demand	Energy	Customer	Total Small Firm General	Demand	Energy		Customer
Summary of Pro Forma Rate Base Adjustments Plant										
Plant Additions - Adj. A										
Production	3	(29,664)	0	(2,712)	0	(2,712)	0	(9,725)	0	(9,725)
Distribution		0								
Rights of Way	10	15,596	0	0	1,211	1,211	0	0	3,279	3,279
Mains-Demand Related	5	2,014,970	221,695	0	0	221,695	590,082	0	0	590,082
Meas. & Reg. Equip. City Gate	13	10,112	1,113	0	0	1,113	2,961	0	0	2,961
Meas. & Reg. Equip. General Services	13	240,606	26,472	0	0	26,472	70,461	0	0	70,461
Positive Meters	17	535,139	0	0	51,536	51,536	0	0	24,275	24,275
Service Regulators	10	595,218	0	0	46,218	46,218	0	0	125,138	125,138
Cathodic Protection Equip	10	90,308	0	0	7,012	7,012	0	0	18,986	18,986
	13	29,504	3,246	0	0	3,246	8,640	0	0	8,640
Total Distribution Plant Additions		3,531,453	252,526	0	105,977	358,503	672,144	0	171,678	843,822
General	15	393,363	25,365	0	14,077	39,442	67,513	0	21,560	89,073
Common	15	266,339	17,174	0	9,531	26,705	45,712	0	14,598	60,310
Common Intangible	8	2,068,219	0	0	185,455	185,455	0	0	65,821	65,821
Total Plant Additions - Adj. A		6,229,710	295,065	(2,712)	315,040	607,393	785,369	(9,725)	273,657	1,049,301
Accumulated Reserve for Depreciation										
Plant Additions - Adj. B										
Production	3	69,707	0	6,372	0	6,372	0	22,852	0	22,852
Distribution	23	2,340,849	151,761	0	83,096	234,857	403,940	0	127,581	531,521
General	15	275,624	17,773	0	9,863	27,636	47,305	0	15,107	62,412
Common	15	82,946	5,348	0	2,968	8,316	14,236	0	4,546	18,782
Common Intangible	8	267,891	0	0	24,022	24,022	0	0	8,526	8,526
Total Accumulated Reserve - Adj. B		3,037,017	174,882	6,372	119,949	301,203	465,481	22,852	155,760	644,093
Net Adjustment to Plant		3,192,693	120,183	(9,084)	195,091	306,190	319,888	(32,577)	117,897	405,208

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Total Small Firm General	Firm General > 500 cubic feet			Total Large Firm General
			Demand	Energy	Customer		Demand	Energy	Customer	
Additions										
Materials and Supplies - Adj. C	15	50,336	3,246	0	1,801	5,047	8,639	0	2,759	11,398
Prepaid Insurance - Adj. D	24	(11,535)	(706)	(50)	(376)	(1,132)	(1,880)	(178)	(780)	(2,838)
Unamortized Loss on Debt - Adj. E	24	(16,989)	(1,040)	(73)	(553)	(1,666)	(2,769)	(262)	(1,149)	(4,180)
Deferred FAS 106 Costs - Adj. F	24	(11,898)	(728)	(51)	(387)	(1,166)	(1,939)	(184)	(805)	(2,928)
Total		9,914	772	(174)	485	1,083	2,051	(624)	25	1,452
Deductions										
Accumulated Def. Inc. Tax										
Plant Additions - Adj. I	41	1,093,983	67,706	2,235	39,330	109,271	180,213	8,016	57,817	246,046
Normalization - Adj. J	24	(57,144)	(3,499)	(246)	(1,861)	(5,606)	(9,312)	(882)	(3,866)	(14,060)
Def. FAS 106 - Adj. F	24	(4,165)	(255)	(18)	(136)	(409)	(679)	(64)	(282)	(1,025)
Unamortized Loss on Debt - Adj. E	24	(6,733)	(412)	(29)	(219)	(660)	(1,097)	(104)	(455)	(1,656)
Customer Guarantee Adj. G	2	876,572	94,468	0	0	94,468	253,112	0	0	253,112
Customer Advances for Construction - Adj. H	Direct	9,485	1,034		0	1,034	2,768		0	2,768
Total		1,911,998	159,042	1,942	37,114	198,098	425,005	6,966	53,214	485,185
Total Pro Forma Adjustments - Rate Base		1,290,609	(38,087)	(11,200)	158,462	109,175	(103,066)	(40,167)	64,708	(78,525)
Pro Forma Adjustments - Operating Income										
Pro Forma Revenue Adjustments										
Revenue Adjustments - Adj. No. 1-3 to Proforma										
Residential	Direct	2,124,630								
Firm General	Direct	1,779,167	0	490,462	2,811	493,273	0	1,284,178	1,716	1,285,894
Air Force	Direct	4,616								
Small Interruptible	Direct	(36,568)								0
Large Interruptible	Direct	(35,971)								0
Total Retail Sales Adjustment		3,835,874	0	490,462	2,811	493,273	0	1,284,178	1,716	1,285,894
Unbilled Revenue	26	274,890	5,328	16,962	3,460	25,750	14,332	65,369	2,493	82,194
Total		4,110,764	5,328	507,424	6,271	519,023	14,332	1,349,547	4,209	1,368,088
Other Revenue - Adj. No. 4	23	(37,558)	(2,435)	0	(1,333)	(3,768)	(6,481)	0	(2,047)	(8,528)
Total Pro Forma Revenue Adjustments		4,073,206	2,893	507,424	4,938	515,255	7,851	1,349,547	2,162	1,359,560

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Firm General > 500 cubic feet			Total Large Firm General	
			Demand	Energy	Customer	Total Small Firm General	Demand	Energy		Customer
OPERATION & MAINTENANCE EXPENSES										
Cost of Gas - Adj. No. 5	Direct	3,480,480	0	(838,838)	0	(838,838)	0	2,626,337	0	2,626,337
Labor Expense - Adj. No. 6										
Other Gas Supply	30	2,459	93	14	126	233	247	49	142	438
Production	3	1,346	0	123	0	123	0	441	0	441
Distribution	29	182,617	10,375	576	6,865	17,816	27,614	2,065	12,037	41,716
Customer Accounting	8	46,814	0	0	4,198	4,198	0	0	1,490	1,490
Customer Service	8	5,395	0	0	484	484	0	0	172	172
Sales	8	4,768	0	0	428	428	0	0	152	152
A&G	30	57,593	2,176	318	2,958	5,452	5,793	1,139	3,336	10,268
Total -Labor Expense - Adj. No. 6		300,992	12,644	1,031	15,059	28,734	33,654	3,694	17,329	54,677
Benefits Expense - Adj. No. 7	30	(45,077)	(1,703)	(249)	(2,316)	(4,268)	(4,534)	(891)	(2,611)	(8,036)
Vehicles and Work Equip. - Adj. No. 8	30	2,641	100	15	136	251	266	52	153	471
Company Consumption - Adj. No. 9	30	3,418	129	19	176	324	344	68	198	610
Pierre Office Rental - Adj. No. 10	30	(31,305)	(1,183)	(173)	(1,608)	(2,964)	(3,149)	(619)	(1,813)	(5,581)
Uncollectible Accounts - Adj. No. 11	11	(9,486)	0	0	(851)	(851)	0	0	(302)	(302)
Postage - Adj. No. 12	8	6,085	0	0	546	546	0	0	194	194
Advertising - Adj. No. 13	8	(27,606)	0	0	(2,475)	(2,475)	0	0	(879)	(879)
Insurance Expense - Adj. No. 14	30	4,493	170	25	231	426	452	89	260	801
Industry Dues - Adj. No. 15	30	(14,595)	(552)	(80)	(750)	(1,382)	(1,468)	(289)	(845)	(2,602)
Regulatory Commission Expense - Adj. No. 16	30	113,158	4,276	624	5,813	10,713	11,381	2,238	6,554	20,173
Total		46,803	2,940	430	1,218	4,588	7,826	1,539	3,520	12,885
Total Adjustments to O&M		3,783,198	13,881	(837,626)	13,961	(809,784)	36,946	2,630,679	18,238	2,685,863
DEPRECIATION EXPENSE										
Average Annual Depreciation - Adj. No. 17										
Production Plant	3	(962)	0	(88)	0	(88)	0	(315)	0	(315)
Distribution Plant	23	938,672	60,856	0	33,321	94,177	161,978	0	51,159	213,137
General Plant	41	31,688	1,961	65	1,139	3,165	5,220	232	1,675	7,127
Common	8	276,063	0	0	24,754	24,754	0	0	8,786	8,786
Total Average Annual Depreciation Adj. 17		1,245,461	62,817	(23)	59,214	122,008	167,198	(83)	61,620	228,735

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	Allocation Factor	Total South Dakota	Firm General-Meter < 500 cubic feet			Firm General > 500 cubic feet			Total Large Firm General	
			Demand	Energy	Customer	Total Small Firm General	Demand	Energy		Customer
TAXES OTHER THAN INCOME										
Ad Valorem Taxes - Adj. No. 18										
Production Plant	3	(228)	0	(21)	0	(21)	0	(75)	0	(75)
Distribution Plant	23	32,030	2,077	0	1,137	3,214	5,527	0	1,746	7,273
General Plant	41	4,134	256	8	149	413	681	30	218	929
Common Plant	41	4,071	252	8	146	406	671	30	215	916
Total Ad Valorem Taxes Adj. No. 18		40,007	2,585	(5)	1,432	4,012	6,879	(15)	2,179	9,043
Payroll Taxes - Adj. No. 19	31	21,798	824	120	1,120	2,064	2,192	431	1,263	3,886
Gross Revenue Tax- Adj. No. 20	26	(8,417)	(163)	(519)	(106)	(788)	(439)	(2,002)	(76)	(2,517)
Total Adjustments to Taxes Other than Income		53,388	3,246	(404)	2,446	5,288	8,632	(1,586)	3,366	10,412
CURRENT INCOME TAXES										
Interest Annualization - Adj. No. 21	24	(239,607)	(14,670)	(1,031)	(7,802)	(23,503)	(39,047)	(3,696)	(16,209)	(58,952)
Tax Depreciation on Plant Adds - Adj. No. 22	41	1,387,128	85,849	2,834	49,869	138,552	228,503	10,164	73,309	311,976
Other Tax Deductions - Adj. No. 23	24	1,400	86	6	46	138	228	22	95	345
		1,148,921	71,265	1,809	42,113	115,187	189,684	6,490	57,195	253,369
Net Adjustments to Operating Income		(2,157,762)	(148,316)	1,343,668	(112,796)	1,082,556	(394,609)	(1,285,953)	(138,257)	(1,818,819)
Income Taxes on Pro Forma Adj. - Adj. No. 24 0.35	(Calculated)	(755,217)	(51,911)	470,284	(39,479)	378,895	(138,113)	(450,084)	(48,390)	(636,587)
Elimination of Closing/Filing&Res. - Adj. No. 25	24	831,430	50,905	3,577	27,073	81,555	135,493	12,826	56,245	204,564
Total Adjustments to Current Income Taxes		76,213	(1,006)	473,861	(12,406)	460,449	(2,620)	(437,258)	7,855	(432,023)
DEFERRED INCOME TAXES										
Plant Additions - Adj. No. 22	41	485,496	30,047	992	17,454	48,493	79,976	3,557	25,658	109,191
Elimination of Closing/Filing - Adj. No. 25	24	(853,613)	(52,263)	(3,672)	(27,795)	(83,730)	(139,108)	(13,168)	(57,746)	(210,022)
Other Tax Deductions Adj. No. 23	24	11,368	696	49	370	1,115	1,853	175	769	2,797
Total Adjustments to Deferred Income Taxes		(356,749)	(21,520)	(2,631)	(9,971)	(34,122)	(57,279)	(9,436)	(31,319)	(98,034)
Total Adjustments:		(728,305)	(54,525)	874,247	(48,306)	771,416	(145,026)	(832,769)	(57,598)	(1,035,393)

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Rate Base						
Gas Plant in Service						
Production Plant	3	2,138,237	0	99,021	0	99,021
Distribution Plant						
Land	13	68,375	920	0	0	920
Rights of Way	13	99,155	1,334	0	0	1,334
Structures & Improvements	13	122,184	1,644	0	0	1,644
Mains \$37,157,350						
Demand Related 100%	5	37,303,542	502,003	0	0	502,003
Meas. & Reg. Equip. - General	13	507,607	6,831	0	0	6,831
Meas. & Reg. Equip. - City Gate	13	1,027,784	13,831	0	0	13,831
Services	17	13,163,083	0	0	704	704
Meters	10	13,273,264	0	0	16,786	16,786
Service Regulators	10	1,450,865	0	0	1,835	1,835
Ind. Meas. & Reg. Station Equipment	13	63,429	854	0	0	854
Cathodic Protection & Other Equipment	13	292,461	3,936	0	0	3,936
Distribution Plant		67,371,749	531,353	0	19,325	550,678
General Plant	15	12,936,915	102,032	0	3,711	105,743
Intangible Plant - General	15	150,286	1,185	0	43	1,228
Common Plant	15	2,872,747	22,657	0	824	23,481
Intangible Plant - Common	15	2,639,469	20,817	0	757	21,574
Gas Plant Leased to Others	15	0	0	0	0	0
Total Gas Plant in Service		88,109,403	678,044	99,021	24,660	801,725

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Less: Accumulated Depreciation						
Production Plant	3	69,951	0	3,239	0	3,239
Distribution Plant						
Rights of Way	13	9,953	134	0	0	134
Structures & Improvements	13	53,717	723	0	0	723
Mains	13	20,162,757	271,335	0	0	271,335
Meas. & Reg. Equip. - General	18	177,043	2,383	0	0	2,383
Meas. & Reg. Equip. - City Gate	13	334,923	4,507	0	0	4,507
Services	17	11,151,761	0	0	596	596
Meters	10	3,917,673	0	0	4,955	4,955
Service Regulators	13	635,217	8,548	0	0	8,548
Ind. Meas. & Reg. Station Equipment	13	36,921	497	0	0	497
Property on Customer Premise	13	(4,483)	(60)	0	0	(60)
Cathodic Protection & Other Equipment	13	144,066	1,939	0	0	1,939
Distribution Plant		36,619,548	290,006	0	5,551	295,557
General Plant	15	3,972,511	31,331	0	1,139	32,470
Intangible Plant - General	15	150,287	1,185	0	43	1,228
Common Plant	15	1,286,020	10,143	0	369	10,512
Intangible Plant - Common	15	2,058,759	16,237	0	591	16,828
Less: Total Accumulated Reserve for Depreciation		44,157,076	348,902	3,239	7,693	359,834
Net Gas Plant in Service		43,952,327	329,142	95,782	16,967	441,891
CWIP in Service	15	1,618,134	12,762	0	464	13,226
Total Gas Plant in Service		45,570,461	341,904	95,782	17,431	455,117
Additions						
Materials & Supplies	15	479,295	3,780	0	137	3,917
Prepaid Insurance	24	123,687	926	270	48	1,244
Deferred FAS 106 Balance	24	15,864	119	35	6	160
Unamortized Loss on Debt	24	572,846	4,290	1,248	221	5,759
Total Additions		1,191,692	9,115	1,553	412	11,080
Total Before Deductions		46,762,153	351,019	97,335	17,843	466,197

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Deductions						
Accumulated Deferred Income Tax	24	(7,112,467)	(53,262)	(15,500)	(2,746)	(71,508)
Customer Guarantee	2	(1,049,613)	(13,797)	0	0	(13,797)
Customer Advances For Construction	Direct	(721,087)	(961)	0	0	(961)
Total Deductions		(8,883,167)	(68,020)	(15,500)	(2,746)	(86,266)
Total Rate Base		37,878,986	282,999	81,835	15,097	379,931
Income Statement						
Gas Operating Revenues						
Retail Sales & Transportation						
Residential	Direct	24,505,413				
Firm General	Direct	16,801,746				
Air Force	Direct	1,168,276	135,380	1,031,756	1,140	1,168,276
Small Interruptible	Direct	532,285				
Large Interruptible	Direct	474,137				
Total Sales & Transportation Revenues		43,481,857	135,380	1,031,756	1,140	1,168,276
Other Operating Revenue						
Miscellaneous						
Reconnect Fees	11	1,244	0	0	0	0
NSF Check Fees	11	18,465	0	0	0	0
Miscellaneous	24	9,965	75	22	4	101
Rent From Gas Property	24	209,639	1,570	457	81	2,108
Other Gas Revenues						0
Miscellaneous	31	105,505	488	295	29	812
Miscellaneous	Direct	14,972	14,972			14,972
Transport and Penalty Revenue - Net	24	17,007	127	37	7	171
Total Other Operating Revenue		376,797	17,232	811	121	18,164
Unbilled Revenue	26	(274,890)	(786)	(6,021)	(7)	(6,814)
Total Operating Revenues		43,583,764	151,826	1,026,546	1,254	1,179,626

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Operation & Maintenance Expenses						
Cost of Purchased Gas	Direct	28,093,760	135,380	1,008,598	0	1,143,978
Production Expense						
Production Expense	3	137,775	0	6,380	0	6,380
Other Gas Supply Expenses	3	52,946	0	2,452	0	2,452
Total Production Expense		190,721	0	8,832	0	8,832
Distribution Expenses						
Operation						
Load Dispatch	1	55,471	0	2,240	0	2,240
Mains and Services	22	721,936	7,181	0	10	7,191
Measuring Stations - General	18	11,188	151	0	0	151
Measuring Stations - Industrial	13	5,196	70	0	0	70
Measuring Stations - City Gate	13	44,863	604	0	0	604
Meters & House Regulators	16	131,140	0	0	166	166
Customer Installations	10	145,958	0	0	185	185
Other Gas Distribution	27	1,012,832	7,268	2,033	328	9,629
Rents	27	41,243	296	83	13	392
Supervision & Engineering	27	529,428	3,799	1,063	171	5,033
Total Operation Expense		2,699,255	19,369	5,419	873	25,661
Maintenance						
Structures & Improvements	13	0	0	0	0	0
Mains	13	169,021	2,275	0	0	2,275
Measuring Stations - General	18	56,954	766	0	0	766
Measuring Stations - Industrial	13	4,963	67	0	0	67
Measuring Stations - City Gate	13	9,513	128	0	0	128
Services	17	84,131	0	0	4	4
Meters & House Regulators	16	208,698	0	0	264	264
Other Equipment	28	71,255	432	0	36	468
Supervision & Engineering	28	89,292	542	0	45	587
Total Maintenance Expense		693,827	4,210	0	349	4,559

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Total Distribution Expenses		3,393,082	23,579	5,419	1,222	30,220
Customer Accounts	8	38,957	0	0	1	1
Meter Reading	10	131,893	0	0	167	167
Customer Records & Collection	8	910,313	0	0	17	17
Uncollectible Accounts	11	151,439	0	0	0	0
Miscellaneous Customer Accounts	8	71,296	0	0	1	1
Customer Service & Information	8	122,209	0	0	2	2
Sales Expenses	8	91,378	0	0	2	2
Administration & General Expenses	30	3,190,539	14,747	8,913	883	24,543
Total Gas O&M Expenses		36,385,587	173,706	1,031,762	2,295	1,207,763
O&M Excl. Cost of Gas and A&G		5,101,288	23,579	14,251	1,412	39,242
O&M Excl. Cost of Gas		8,291,827	38,326	23,164	2,295	63,785
Depreciation Expense						
Production Plant	3	71,813	0	3,326	0	3,326
Distribution Plant						
Rights of Way	13	1,486	20	0	0	20
Structures & Improvements	13	2,212	30	0	0	30
Mains	13	778,593	10,478	0	0	10,478
Meas. & Reg. Equip. - General	18	16,700	225	0	0	225
Meas. & Reg. Equip. - City Gate	13	29,439	396	0	0	396
Services	17	750,318	0	0	40	40
Meters	10	385,192	0	0	487	487
Service Regulators	13	22,744	306	0	0	306
Ind. Meas. & Reg. Station Equipment	13	1,542	21	0	0	21
Cathodic Protection & Other Equipment	13	7,338	99	0	0	99
Total Distribution Plant		1,995,564	11,575	0	527	12,102
General Plant	15	285,420	2,251	0	82	2,333
Common Plant	15	107,426	847	0	31	878
Amort. of Intangible Plant - Common	15	84,439	666	0	24	690
Total Depreciation Expense		2,544,662	15,339	3,326	664	19,329

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Taxes Other Than Income						
Ad Valorem Taxes-Production	3	46,126	0	2,136	0	2,136
Ad Valorem Taxes-Other	15	567,844	4,479	0	163	4,642
Other Taxes - Payroll, Franchise, Other	31	322,881	1,492	902	89	2,483
Other Taxes - Revenue	26	79,615	228	1,744	2	1,974
Total Taxes Other Than Income Taxes		1,016,466	6,199	4,782	254	11,235
Total Operating Expense		39,946,717	195,244	1,039,870	3,213	1,238,327
Interest Expense	24	1,290,136	9,661	2,811	498	12,970
Taxable Income Before Adjustments		2,346,911	(53,079)	(16,135)	(2,457)	(71,671)
Deductions						
Unrecovered Purchased Gas Cost	33	294,987	1,265	9,497	0	10,762
Other Income Tax Charges	24	8,303,710	62,183	18,096	3,205	83,484
Preferred Dividend Paid Deduction	24	14,286	107	31	6	144
Total Deductions		8,612,983	63,555	27,624	3,211	94,390
Taxable Income (Before State Income Tax)		(6,266,072)	(116,634)	(43,759)	(5,668)	(166,061)
Less: State Income Tax	35	0	0	0	0	0
Federal Taxable Income		(6,266,072)	(116,634)	(43,759)	(5,668)	(166,061)
Federal Income Tax						
@ Current Rate of 35%	35.00%	(2,193,125)	(40,822)	(15,316)	(1,984)	(58,122)
State Income Taxes	35	0	0	0	0	0
Credits and Adjustments	40	(9,977)	(74)	(32)	(4)	(110)
Rounding & Prior Year's Adjustments - Federal	24	(834,944)	(6,253)	(1,820)	(322)	(8,395)
Federal and State Income Taxes		(3,038,046)	(47,149)	(17,168)	(2,310)	(66,627)
Rounding & Prior Year's Adjustment - State	24	3,514	26	8	1	35
Federal & State Income Taxes		(3,034,532)	(47,123)	(17,160)	(2,309)	(66,592)
Deferred Income Taxes						
Unrecovered Purchased Gas Cost	33	(22,554)	(97)	(726)	0	(823)
Other Deferred Income Tax Chgs	24	2,943,778	22,045	6,415	1,136	29,596
Closing/Filing & Out of Period	24	853,613	6,392	1,860	330	8,582
Total Deferred Income Taxes		3,774,837	28,340	7,549	1,466	37,355
Total Operating Expenses		40,687,020	176,461	1,030,259	2,370	1,209,090
Total Operating Income		2,896,744	(24,635)	(3,713)	(1,116)	(29,464)

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Summary of Pro Forma Rate Base Adjustments						
Plant						
Plant Additions - Adj. A						
Production	3	(29,664)	0	(1,374)	0	(1,374)
Distribution		0				
Rights of Way	10	15,596	0	0	20	20
Mains-Demand Related	5	2,014,970	27,116	0	0	27,116
Meas. & Reg. Equip. City Gate	13	10,112	136	0	0	136
Meas. & Reg. Equip. General	13	240,606	3,238	0	0	3,238
Services	17	535,139	0	0	29	29
Positive Meters	10	595,218	0	0	753	753
Service Regulators	10	90,308	0	0	114	114
Cathodic Protection Equip	13	29,504	397	0	0	397
Total Distribution Plant Additions		3,531,453	30,887	0	916	31,803
General	15	393,363	3,102	0	113	3,215
Common	15	266,339	2,101	0	76	2,177
Common Intangible	8	2,068,219	0	0	38	38
Total Plant Additions - Adj. A		6,229,710	36,090	(1,374)	1,143	35,859
Accumulated Reserve for Depreciation						
Plant Additions - Adj. B						
Production	3	69,707	0	3,228	0	3,228
Distribution	23	2,340,849	18,562	0	668	19,230
General	15	275,624	2,174	0	79	2,253
Common	15	82,946	654	0	24	678
Common Intangible	8	267,891	0	0	5	5
Total Accumulated Reserve - Adj. B		3,037,017	21,390	3,228	776	25,394
Net Adjustment to Plant		3,192,693	14,700	(4,602)	367	10,465

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
Additions						
Materials and Supplies - Adj. C	15	50,336	397	0	14	411
Prepaid Insurance - Adj. D	24	(11,535)	(86)	(25)	(4)	(115)
Unamortized Loss on Debt - Adj. E	24	(16,989)	(127)	(37)	(7)	(171)
Deferred FAS 106 Costs - Adj. F	24	(11,898)	(89)	(26)	(5)	(120)
Total		9,914	95	(88)	(2)	5
Deductions						
Accumulated Def. Inc. Tax						
Plant Additions - Adj. I	41	1,093,983	8,281	1,132	299	9,712
Normalization - Adj. J	24	(57,144)	(428)	(125)	(22)	(575)
Def. FAS 106 - Adj. F	24	(4,165)	(31)	(9)	(2)	(42)
Unamortized Loss on Debt - Adj. E	24	(6,733)	(50)	(15)	(3)	(68)
Customer Guarantee Adj. G	2	876,572	11,522	0	0	11,522
Customer Advances for Construction - Adj. H	Direct	9,485	126	0	0	126
Total		1,911,998	19,420	983	272	20,675
Total Pro Forma Adjustments - Rate Base		1,290,609	(4,625)	(5,673)	93	(10,205)
Pro Forma Adjustments - Operating Income						
Pro Forma Revenue Adjustments						
Revenue Adjustments - Adj. No. 1-3 to Proforma						
Residential	Direct	2,124,630				
Firm General	Direct	1,779,167				
Air Force	Direct	4,616	0	4,616	0	4,616
Small Interruptible	Direct	(36,568)				
Large Interruptible	Direct	(35,971)				
Total Retail Sales Adjustment		3,835,874	0	4,616	0	4,616
Unbilled Revenue	26	274,890	786	6,021	7	6,814
Total		4,110,764	786	10,637	7	11,430
Other Revenue - Adj. No. 4	23	(37,558)	(298)	0	(11)	(309)
Total Pro Forma Revenue Adjustments		4,073,206	488	10,637	(4)	11,121

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
OPERATION & MAINTENANCE EXPENSES						
Cost of Gas - Adj. No. 5	Direct	3,480,480	0	7,960	0	7,960
Labor Expense - Adj. No. 6						
Other Gas Supply	30	2,459	11	7	1	19
Production	3	1,346	0	62	0	62
Distribution	29	182,617	1,269	292	66	1,627
Customer Accounting	8	46,814	0	0	1	1
Customer Service	8	5,395	0	0	0	0
Sales	8	4,768	0	0	0	0
A&G	30	57,593	266	161	16	443
Total -Labor Expense - Adj. No. 6		300,992	1,546	522	84	2,152
Benefits Expense - Adj. No. 7	30	(45,077)	(208)	(126)	(12)	(346)
Vehicles and Work Equip. - Adj. No. 8	30	2,641	12	7	1	20
Company Consumption - Adj. No. 9	30	3,418	16	10	1	27
Pierre Office Rental - Adj. No. 10	30	(31,305)	(145)	(87)	(9)	(241)
Uncollectible Accounts - Adj. No. 11	11	(9,486)	0	0	0	0
Postage - Adj. No. 12	8	6,085	0	0	0	0
Advertising - Adj. No. 13	8	(27,606)	0	0	(1)	(1)
Insurance Expense - Adj. No. 14	30	4,493	21	13	1	35
Industry Dues - Adj. No. 15	30	(14,595)	(67)	(41)	(4)	(112)
Regulatory Commission Expense - Adj. No. 16	30	113,158	523	316	31	870
Total		46,803	360	218	20	598
Total Adjustments to O&M		3,783,198	1,698	8,574	92	10,364
DEPRECIATION EXPENSE						
Average Annual Depreciation - Adj. No. 17						
Production Plant	3	(962)	0	(45)	0	(45)
Distribution Plant	23	938,672	7,443	0	268	7,711
General Plant	41	31,688	240	33	9	282
Common	8	276,063	0	0	5	5
Total Average Annual Depreciation Adj. 17		1,245,461	7,683	(12)	282	7,953

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	Allocation Factor	Total South Dakota	Air Force			Total Air Force
			Demand	Energy	Customer	
TAXES OTHER THAN INCOME						
Ad Valorem Taxes - Adj. No. 18						
Production Plant	3	(228)	0	(11)	0	(11)
Distribution Plant	23	32,030	254	0	9	263
General Plant	41	4,134	31	4	1	36
Common Plant	41	4,071	31	4	1	36
Total Ad Valorem Taxes Adj. No. 18		40,007	316	(3)	11	324
Payroll Taxes - Adj. No. 19	31	21,798	101	61	6	168
Gross Revenue Tax- Adj. 20	26	(8,417)	(24)	(184)	0	(208)
Total Adjustments to Taxes Other than Income		53,388	393	(126)	17	284
CURRENT INCOME TAXES						
Interest Annualization - Adj. No. 21	24	(239,607)	(1,794)	(522)	(92)	(2,408)
Tax Depreciation on Plant Adds - Adj. No. 22	41	1,387,128	10,500	1,436	379	12,315
Other Tax Deductions - Adj. No. 23	24	1,400	10	3	1	14
		1,148,921	8,716	917	288	9,921
Net Adjustments to Operating Income		(2,157,762)	(18,002)	1,284	(683)	(17,401)
Income Taxes on Pro Forma Adj. - Adj. No. 24 0.35	(Calculated)	(755,217)	(6,301)	449	(239)	(6,090)
Elimination of Closing/Filing&Res. - Adj. No. 25	24	831,430	6,226	1,812	321	8,359
Total Adjustments to Current Income Taxes		76,213	(75)	2,261	82	2,268
DEFERRED INCOME TAXES						
Plant Additions - Adj. No. 22	41	485,496	3,675	503	133	4,311
Elimination of Closing/Filing - Adj. No. 25	24	(853,613)	(6,392)	(1,860)	(330)	(8,582)
Other Tax Deductions Adj. No. 23	24	11,368	85	25	4	114
Total Adjustments to Deferred Income Taxes		(356,749)	(2,632)	(1,332)	(193)	(4,157)
Total Adjustments:		(728,305)	(6,579)	1,272	(284)	(5,591)

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Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible	
		Demand	Energy	Customer		Demand	Energy	Customer		
Rate Base										
Gas Plant in Service										
Production Plant	3	2,138,237	0	26,609	0	26,609	0	22,076	0	22,076
Distribution Plant										
Land	13	68,375	810	0	0	810	1,912	0	0	1,912
Rights of Way	13	99,155	1,174	0	0	1,174	2,772	0	0	2,772
Structures & Improvements	13	122,184	1,447	0	0	1,447	3,416	0	0	3,416
Mains \$37,157,350										
Demand Related 100%	5	37,303,542	441,832	0	0	441,832	1,042,975	0	0	1,042,975
Meas. & Reg. Equip. - General	13	507,607	6,012	0	0	6,012	14,192	0	0	14,192
Meas. & Reg. Equip. - City Gate	13	1,027,784	12,173	0	0	12,173	28,736	0	0	28,736
Services	17	13,163,083	0	0	12,435	12,435	0	0	6,804	6,804
Meters	10	13,273,264	0	0	173,968	173,968	0	0	91,562	91,562
Service Regulators	10	1,450,865	0	0	19,016	19,016	0	0	10,008	10,008
Ind. Meas. & Reg. Station Equipment	13	63,429	751	0	0	751	1,773	0	0	1,773
Cathodic Protection & Other Equipment	13	292,461	3,464	0	0	3,464	8,177	0	0	8,177
Distribution Plant		<u>67,371,749</u>	<u>467,663</u>	<u>0</u>	<u>205,419</u>	<u>673,082</u>	<u>1,103,953</u>	<u>0</u>	<u>108,374</u>	<u>1,212,327</u>
General Plant	15	12,936,915	89,802	0	39,445	129,247	211,984	0	20,810	232,794
Intangible Plant - General	15	150,286	1,043	0	458	1,501	2,463	0	242	2,705
Common Plant	15	2,872,747	19,941	0	8,759	28,700	47,073	0	4,621	51,694
Intangible Plant - Common	15	2,639,469	18,322	0	8,048	26,370	43,250	0	4,246	47,496
Gas Plant Leased to Others	15	0	0	0	0	0	0	0	0	0
Total Gas Plant in Service		<u>88,109,403</u>	<u>596,771</u>	<u>26,609</u>	<u>262,129</u>	<u>885,509</u>	<u>1,408,723</u>	<u>22,076</u>	<u>138,293</u>	<u>1,569,092</u>

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	Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Less: Accumulated Depreciation										
Production Plant	3	69,951	0	871	0	871	0	722	0	722
Distribution Plant										
Rights of Way	13	9,953	118	0	0	118	278	0	0	278
Structures & Improvements	13	53,717	636	0	0	636	1,502	0	0	1,502
Mains	13	20,162,757	238,813	0	0	238,813	563,733	0	0	563,733
Meas. & Reg. Equip. - General	18	177,043	2,097	0	0	2,097	4,950	0	0	4,950
Meas. & Reg. Equip. - City Gate	13	334,923	3,967	0	0	3,967	9,364	0	0	9,364
Services	17	11,151,761	0	0	10,535	10,535	0	0	5,764	5,764
Meters	10	3,917,673	0	0	51,348	51,348	0	0	27,025	27,025
Service Regulators	13	635,217	7,524	0	0	7,524	17,760	0	0	17,760
Ind. Meas. & Reg. Station Equipment	13	36,921	437	0	0	437	1,032	0	0	1,032
Property on Customer Premise	13	(4,483)	(53)	0	0	(53)	(125)	0	0	(125)
Cathodic Protection & Other Equipment	13	144,066	1,706	0	0	1,706	4,028	0	0	4,028
Distribution Plant		36,619,548	255,245	0	61,883	317,128	602,522	0	32,789	635,311
General Plant	15	3,972,511	27,575	0	12,112	39,687	65,094	0	6,390	71,484
Intangible Plant - General	15	150,287	1,043	0	458	1,501	2,463	0	242	2,705
Common Plant	15	1,286,020	8,927	0	3,921	12,848	21,073	0	2,069	23,142
Intangible Plant - Common	15	2,058,759	14,291	0	6,277	20,568	33,735	0	3,312	37,047
Less: Total Accumulated Reserve for Depreciation		44,157,076	307,081	871	84,651	392,603	724,887	722	44,802	770,411
Net Gas Plant in Service		43,952,327	289,690	25,738	177,478	492,906	683,836	21,354	93,491	798,681
CWIP in Service	15	1,618,134	11,232	0	4,934	16,166	26,515	0	2,603	29,118
Total Gas Plant in Service		45,570,461	300,922	25,738	182,412	509,072	710,351	21,354	96,094	827,799
Additions										
Materials & Supplies	15	479,295	3,327	0	1,461	4,788	7,854	0	771	8,625
Prepaid Insurance	24	123,687	815	72	499	1,386	1,924	60	263	2,247
Deferred FAS 106 Balance	24	15,864	105	9	64	178	247	8	34	289
Unamortized Loss on Debt	24	572,846	3,776	335	2,313	6,424	8,913	278	1,219	10,410
Total Additions		1,191,692	8,023	416	4,337	12,776	18,938	346	2,287	21,571
Total Before Deductions		46,762,153	308,945	26,154	186,749	521,848	729,289	21,700	98,381	849,370

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			Demand	Energy	Customer		Demand	Energy	Customer	
Deductions										
Accumulated Deferred Income Tax	24	(7,112,467)	(46,878)	(4,165)	(28,720)	(79,763)	(110,660)	(3,456)	(15,129)	(129,245)
Customer Guarantee	2	(1,049,613)	(15,372)	0	0	(15,372)	(35,123)	0	0	(35,123)
Customer Advances For Construction	Direct	(721,087)	(2,842)	0	0	(2,842)	0	0	0	0
Total Deductions		(8,883,167)	(65,092)	(4,165)	(28,720)	(97,977)	(145,783)	(3,456)	(15,129)	(164,368)
Total Rate Base		37,878,986	243,853	21,989	158,029	423,871	583,506	18,244	83,252	685,002
Income Statement										
Gas Operating Revenues										
Retail Sales & Transportation										
Residential	Direct	24,505,413								
Firm General	Direct	16,801,746								
Air Force	Direct	1,168,276								
Small Interruptible	Direct	532,285	28,085	470,300	33,900	532,285				
Large Interruptible	Direct	474,137					25,238	419,799	29,100	474,137
Total Sales & Transportation Revenues		43,481,857	28,085	470,300	33,900	532,285	25,238	419,799	29,100	474,137
Other Operating Revenue										
Miscellaneous										
Reconnect Fees	11	1,244	0	0	0	0	0	0	0	0
NSF Check Fees	11	18,465	0	0	0	0	0	0	0	0
Miscellaneous	24	9,965	66	6	40	112	155	5	21	181
Rent From Gas Property	24	209,639	1,382	123	847	2,352	3,262	102	446	3,810
Other Gas Revenues						0				0
Miscellaneous	31	105,505	429	174	317	920	1,013	326	164	1,503
Miscellaneous	Direct	14,972								
Transport and Penalty Revenue - Net	24	17,007	112	10	69	191	265	8	36	309
Total Other Operating Revenue		376,797	1,989	313	1,273	3,575	4,695	441	667	5,803
Unbilled Revenue	26	(274,890)	(163)	(2,520)	(197)	(2,880)	(147)	(2,230)	(169)	(2,546)
Total Operating Revenues		43,583,764	29,911	468,093	34,976	532,980	29,786	418,010	29,598	477,394

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	Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Operation & Maintenance Expenses										
Cost of Purchased Gas	Direct	28,093,760	28,085	238,532	0	266,617	25,238	219,488	0	244,726
Production Expense										
Production Expense	3	137,775	0	1,715	0	1,715	0	1,422	0	1,422
Other Gas Supply Expenses	3	52,946	0	659	0	659	0	547	0	547
Total Production Expense		190,721	0	2,374	0	2,374	0	1,969	0	1,969
Distribution Expenses										
Operation										
Load Dispatch	1	55,471	0	2,498	0	2,498	0	5,704	0	5,704
Mains and Services	22	721,936	6,320	0	178	6,498	14,920	0	97	15,017
Measuring Stations - General	18	11,188	133	0	0	133	313	0	0	313
Measuring Stations - Industrial	13	5,196	62	0	0	62	145	0	0	145
Measuring Stations - City Gate	13	44,863	531	0	0	531	1,254	0	0	1,254
Meters & House Regulators	16	131,140	0	0	1,719	1,719	0	0	905	905
Customer Installations	10	145,958	0	0	1,913	1,913	0	0	1,007	1,007
Other Gas Distribution	27	1,012,832	6,396	2,268	3,459	12,123	15,098	5,178	1,824	22,100
Rents	27	41,243	260	92	141	493	615	211	74	900
Supervision & Engineering	27	529,428	3,343	1,185	1,808	6,336	7,892	2,707	953	11,552
Total Operation Expense		2,699,255	17,045	6,043	9,218	32,306	40,237	13,800	4,860	58,897
Maintenance										
Structures & Improvements	13	0	0	0	0	0	0	0	0	0
Mains	13	169,021	2,002	0	0	2,002	4,726	0	0	4,726
Measuring Stations - General	18	56,954	675	0	0	675	1,592	0	0	1,592
Measuring Stations - Industrial	13	4,963	59	0	0	59	139	0	0	139
Measuring Stations - City Gate	13	9,513	113	0	0	113	266	0	0	266
Services	17	84,131	0	0	79	79	0	0	43	43
Meters & House Regulators	16	208,698	0	0	2,735	2,735	0	0	1,440	1,440
Other Equipment	28	71,255	381	0	376	757	898	0	198	1,096
Supervision & Engineering	28	89,292	477	0	471	948	1,126	0	248	1,374
Total Maintenance Expense		693,827	3,707	0	3,661	7,368	8,747	0	1,929	10,676

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	Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Total Distribution Expenses		3,393,082	20,752	6,043	12,879	39,674	48,984	13,800	6,789	69,573
Customer Accounts	8	38,957	0	0	22	22	0	0	8	8
Meter Reading	10	131,893	0	0	1,729	1,729	0	0	910	910
Customer Records & Collection	8	910,313	0	0	515	515	0	0	183	183
Uncollectible Accounts	11	151,439	0	0	0	0	0	0	0	0
Miscellaneous Customer Accounts	8	71,296	0	0	40	40	0	0	14	14
Customer Service & Information	8	122,209	0	0	69	69	0	0	25	25
Sales Expenses	8	91,378	0	0	52	52	0	0	18	18
Administration & General Expenses	30	3,190,539	12,979	5,264	9,573	27,816	30,636	9,863	4,970	45,469
Total Gas O&M Expenses		36,385,587	61,816	252,213	24,879	338,908	104,858	245,120	12,917	362,895
O&M Excl. Cost of Gas and A&G		5,101,288	20,752	8,417	15,306	44,475	48,984	15,769	7,947	72,700
O&M Excl. Cost of Gas		8,291,827	33,731	13,681	24,879	72,291	79,620	25,632	12,917	118,169
Depreciation Expense										
Production Plant	3	71,813	0	894	0	894	0	741	0	741
Distribution Plant										
Rights of Way	13	1,486	18	0	0	18	42	0	0	42
Structures & Improvements	13	2,212	26	0	0	26	62	0	0	62
Mains	13	778,593	9,222	0	0	9,222	21,769	0	0	21,769
Meas. & Reg. Equip. - General	18	16,700	198	0	0	198	467	0	0	467
Meas. & Reg. Equip. - City Gate	13	29,439	349	0	0	349	823	0	0	823
Services	17	750,318	0	0	709	709	0	0	388	388
Meters	10	385,192	0	0	5,049	5,049	0	0	2,657	2,657
Service Regulators	13	22,744	269	0	0	269	636	0	0	636
Ind. Meas. & Reg. Station Equipment	13	1,542	18	0	0	18	43	0	0	43
Cathodic Protection & Other Equipment	13	7,338	87	0	0	87	205	0	0	205
Total Distribution Plant		1,995,564	10,187	0	5,758	15,945	24,047	0	3,045	27,092
General Plant	15	285,420	1,981	0	870	2,851	4,677	0	459	5,136
Common Plant	15	107,426	746	0	328	1,074	1,760	0	173	1,933
Amort. of Intangible Plant - Common	15	84,439	586	0	257	843	1,384	0	136	1,520
Total Depreciation Expense		2,544,662	13,500	894	7,213	21,607	31,868	741	3,813	36,422

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	Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Taxes Other Than Income										
Ad Valorem Taxes-Production	3	46,126	0	574	0	574	0	476	0	476
Ad Valorem Taxes-Other	15	567,844	3,942	0	1,731	5,673	9,305	0	913	10,218
Other Taxes - Payroll, Franchise, Other	31	322,881	1,313	533	969	2,815	3,100	998	503	4,601
Other Taxes - Revenue	26	79,615	47	730	57	834	42	646	49	737
Total Taxes Other Than Income Taxes		1,016,466	5,302	1,837	2,757	9,896	12,447	2,120	1,465	16,032
Total Operating Expense		39,946,717	80,618	254,944	34,849	370,411	149,173	247,981	18,195	415,349
Interest Expense	24	1,290,136	8,503	755	5,210	14,468	20,073	627	2,744	23,444
Taxable Income Before Adjustments		2,346,911	(59,210)	212,394	(5,083)	148,101	(139,460)	169,402	8,659	38,601
Deductions										
Unrecovered Purchased Gas Cost	33	294,987	262	2,630	0	2,892	236	2,164	0	2,400
Other Income Tax Charges	24	8,303,710	54,730	4,863	33,530	93,123	129,194	4,034	17,663	150,891
Preferred Dividend Paid Deduction	24	14,286	94	8	58	160	222	7	30	259
Total Deductions		8,612,983	55,086	7,501	33,588	96,175	129,652	6,205	17,693	153,550
Taxable Income (Before State Income Tax)		(6,266,072)	(114,296)	204,893	(38,671)	51,926	(269,112)	163,197	(9,034)	(114,949)
Less: State Income Tax	35	0	0	0	0	0	0	0	0	0
Federal Taxable Income		(6,266,072)	(114,296)	204,893	(38,671)	51,926	(269,112)	163,197	(9,034)	(114,949)
Federal Income Tax										
@ Current Rate of 35%	35.00%	(2,193,125)	(40,004)	71,713	(13,535)	18,174	(94,189)	57,119	(3,162)	(40,232)
State Income Taxes	35	0	0	0	0	0	0	0	0	0
Credits and Adjustments	40	(9,977)	(64)	(9)	(39)	(112)	(150)	(7)	(20)	(177)
Rounding & Prior Year's Adjustments - Federal	24	(834,944)	(5,503)	(489)	(3,371)	(9,363)	(12,991)	(406)	(1,776)	(15,173)
Federal and State Income Taxes		(3,038,046)	(45,571)	71,215	(16,945)	8,699	(107,330)	56,706	(4,958)	(55,582)
Rounding & Prior Year's Adjustment - State	24	3,514	23	2	14	39	55	2	7	64
Federal & State Income Taxes		(3,034,532)	(45,548)	71,217	(16,931)	8,738	(107,275)	56,708	(4,951)	(55,518)
Deferred Income Taxes										
Unrecovered Purchased Gas Cost	33	(22,554)	(20)	(201)	0	(221)	(18)	(165)	0	(183)
Other Deferred Income Tax Chgs	24	2,943,778	19,402	1,724	11,887	33,013	45,801	1,430	6,262	53,493
Closing/Filing & Out of Period	24	853,613	5,626	500	3,447	9,573	13,281	415	1,816	15,512
Total Deferred Income Taxes		3,774,837	25,008	2,023	15,334	42,365	59,064	1,680	8,078	68,822
Total Operating Expenses		40,687,020	60,078	328,184	33,252	421,514	100,962	306,369	21,322	428,653
Total Operating Income		2,896,744	(30,167)	139,909	1,724	111,466	(71,176)	111,641	8,276	48,741

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	Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Summary of Pro Forma Rate Base Adjustments Plant										
Plant Additions - Adj. A										
Production	3	(29,664)	0	(369)	0	(369)	0	(306)	0	(306)
Distribution		0								
Rights of Way	10	15,596	0	0	204	204	0	0	108	108
Mains-Demand Related	5	2,014,970	23,866	0	0	23,866	56,337	0	0	56,337
Meas. & Reg. Equip. City Gate	13	10,112	120	0	0	120	283	0	0	283
Meas. & Reg. Equip. General	13	240,606	2,850	0	0	2,850	6,727	0	0	6,727
Services	17	535,139	0	0	506	506	0	0	277	277
Positive Meters	10	595,218	0	0	7,801	7,801	0	0	4,106	4,106
Service Regulators	10	90,308	0	0	1,184	1,184	0	0	623	623
Cathodic Protection Equip	13	29,504	349	0	0	349	825	0	0	825
Total Distribution Plant Additions		3,531,453	27,185	0	9,695	36,880	64,172	0	5,114	69,286
General	15	393,363	2,731	0	1,199	3,930	6,446	0	633	7,079
Common	15	266,339	1,849	0	812	2,661	4,364	0	428	4,792
Common Intangible	8	2,068,219	0	0	1,171	1,171	0	0	415	415
Total Plant Additions - Adj. A		6,229,710	31,765	(369)	12,877	44,273	74,982	(306)	6,590	81,266
Accumulated Reserve for Depreciation										
Plant Additions - Adj. B										
Production	3	69,707	0	867	0	867	0	720	0	720
Distribution	23	2,340,849	16,337	0	7,102	23,439	38,565	0	3,747	42,312
General	15	275,624	1,913	0	840	2,753	4,516	0	443	4,959
Common	15	82,946	576	0	253	829	1,359	0	133	1,492
Common Intangible	8	267,891	0	0	152	152	0	0	54	54
Total Accumulated Reserve - Adj. B		3,037,017	18,826	867	8,347	28,040	44,440	720	4,377	49,537
Net Adjustment to Plant		3,192,693	12,939	(1,236)	4,530	16,233	30,542	(1,026)	2,213	31,729

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	Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
Additions										
Materials and Supplies - Adj. C	15	50,336	349	0	153	502	825	0	81	906
Prepaid Insurance - Adj. D	24	(11,535)	(76)	(7)	(47)	(130)	(179)	(6)	(25)	(210)
Unamortized Loss on Debt - Adj. E	24	(16,989)	(112)	(10)	(69)	(191)	(264)	(8)	(36)	(308)
Deferred FAS 106 Costs - Adj. F	24	(11,898)	(78)	(7)	(48)	(133)	(185)	(6)	(25)	(216)
Total		9,914	83	(24)	(11)	48	197	(20)	(5)	172
Deductions										
Accumulated Def. Inc. Tax										
Plant Additions - Adj. I	41	1,093,983	7,289	304	3,189	10,782	17,205	252	1,680	19,137
Normalization - Adj. J	24	(57,144)	(377)	(33)	(231)	(641)	(889)	(28)	(122)	(1,039)
Def. FAS 106 - Adj. F	24	(4,165)	(27)	(2)	(17)	(46)	(65)	(2)	(9)	(76)
Unamortized Loss on Debt - Adj. E	24	(6,733)	(44)	(4)	(27)	(75)	(105)	(3)	(14)	(122)
Customer Guarantee Adj. G	2	876,572	12,838	0	0	12,838	29,332	0	0	29,332
Customer Advances for Construction - Adj. H	Direct	9,485	373		0	373	0	0	0	0
Total		1,911,998	20,052	265	2,914	23,231	45,478	219	1,535	47,232
Total Pro Forma Adjustments - Rate Base		1,290,609	(7,030)	(1,525)	1,605	(6,950)	(14,739)	(1,265)	673	(15,331)
Pro Forma Adjustments - Operating Income										
Pro Forma Revenue Adjustments										
Revenue Adjustments - Adj. No. 1-3 to Proforma										
Residential	Direct	2,124,630								0
Firm General	Direct	1,779,167								0
Air Force	Direct	4,616								
Small Interruptible	Direct	(36,568)	0	(36,568)	0	(36,568)				0
Large Interruptible	Direct	(35,971)					0	(35,971)	0	(35,971)
Total Retail Sales Adjustment		3,835,874	0	(36,568)	0	(36,568)	0	(35,971)	0	(35,971)
Unbilled Revenue	26	274,890	163	2,520	197	2,880	147	2,230	169	2,546
Total		4,110,764	163	(34,048)	197	(33,688)	147	(33,741)	169	(33,425)
Other Revenue - Adj. No. 4	23	(37,558)	(262)	0	(114)	(376)	(619)	0	(60)	(679)
Total Pro Forma Revenue Adjustments		4,073,206	(99)	(34,048)	83	(34,064)	(472)	(33,741)	109	(34,104)

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	Allocation Factor	Total South Dakota	Small Interruptible			Total Small Interruptible	Large Interruptible			Total Large Interruptible
			Demand	Energy	Customer		Demand	Energy	Customer	
OPERATION & MAINTENANCE EXPENSES										
Cost of Gas - Adj. No. 5	Direct	3,480,480	0	42,938	0	42,938	0	12,094	0	12,094
Labor Expense - Adj. No. 6										
Other Gas Supply	30	2,459	10	4	7	21	24	8	4	36
Production	3	1,346	0	17	0	17	0	14	0	14
Distribution	29	182,617	1,117	325	693	2,135	2,636	743	365	3,744
Customer Accounting	8	46,814	0	0	26	26	0	0	9	9
Customer Service	8	5,395	0	0	3	3	0	0	1	1
Sales	8	4,768	0	0	3	3	0	0	1	1
A&G	30	57,593	234	95	173	502	553	178	90	821
Total -Labor Expense - Adj. No. 6		300,992	1,361	441	905	2,707	3,213	943	470	4,626
Benefits Expense - Adj. No. 7	30	(45,077)	(183)	(74)	(135)	(392)	(433)	(139)	(70)	(642)
Vehicles and Work Equip. - Adj. No. 8	30	2,641	11	4	8	23	25	8	4	37
Company Consumption - Adj. No. 9	30	3,418	14	6	10	30	33	11	5	49
Pierre Office Rental - Adj. No. 10	30	(31,305)	(127)	(52)	(94)	(273)	(301)	(97)	(49)	(447)
Uncollectible Accounts - Adj. No. 11	11	(9,486)	0	0	0	0	0	0	0	0
Postage - Adj. No. 12	8	6,085	0	0	3	3	0	0	1	1
Advertising - Adj. No. 13	8	(27,606)	0	0	(16)	(16)	0	0	(6)	(6)
Insurance Expense - Adj. No. 14	30	4,493	18	7	13	38	43	14	7	64
Industry Dues - Adj. No. 15	30	(14,595)	(59)	(24)	(44)	(127)	(140)	(45)	(23)	(208)
Regulatory Commission Expense - Adj. No. 16	30	113,158	460	187	340	987	1,087	350	176	1,613
Total		46,803	317	128	220	665	747	241	115	1,103
Total Adjustments to O&M		3,783,198	1,495	43,433	990	45,918	3,527	13,139	515	17,181
DEPRECIATION EXPENSE										
Average Annual Depreciation - Adj. No. 17										
Production Plant	3	(962)	0	(12)	0	(12)	0	(10)	0	(10)
Distribution Plant	23	938,672	6,551	0	2,848	9,399	15,465	0	1,502	16,967
General Plant	41	31,688	211	9	92	312	498	7	49	554
Common	8	276,063	0	0	156	156	0	0	55	55
Total Average Annual Depreciation Adj. 17		1,245,461	6,762	(3)	3,096	9,855	15,963	(3)	1,606	17,566

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			Demand	Energy	Customer		Demand	Energy	Customer	
TAXES OTHER THAN INCOME										
Ad Valorem Taxes - Adj. No. 18										
Production Plant	3	(228)	0	(3)	0	(3)	0	(2)	0	(2)
Distribution Plant	23	32,030	224	0	97	321	528	0	51	579
General Plant	41	4,134	28	1	12	41	65	1	6	72
Common Plant	41	4,071	27	1	12	40	64	1	6	71
Total Ad Valorem Taxes Adj. No. 18		40,007	279	(1)	121	399	657	0	63	720
Payroll Taxes - Adj. No. 19	31	21,798	89	36	65	190	209	67	34	310
Gross Revenue Tax- Adj. 20	26	(8,417)	(5)	(77)	(6)	(88)	(4)	(68)	(5)	(77)
Total Adjustments to Taxes Other than Income		53,388	363	(42)	180	501	862	(1)	92	953
CURRENT INCOME TAXES										
Interest Annualization - Adj. No. 21	24	(239,607)	(1,579)	(140)	(968)	(2,687)	(3,728)	(116)	(510)	(4,354)
Tax Depreciation on Plant Adds - Adj. No. 22	41	1,387,128	9,242	386	4,044	13,672	21,816	320	2,130	24,266
Other Tax Deductions - Adj. No. 23	24	1,400	9	1	6	16	22	1	3	26
		1,148,921	7,672	247	3,082	11,001	18,110	205	1,623	19,938
Net Adjustments to Operating Income		(2,157,762)	(16,391)	(77,683)	(7,265)	(101,339)	(38,934)	(47,081)	(3,727)	(89,742)
Income Taxes on Pro Forma Adj. - Adj. No. 24 0.35	(Calculated)	(755,217)	(5,737)	(27,189)	(2,543)	(35,469)	(13,627)	(16,478)	(1,304)	(31,410)
Elimination of Closing/Filing&Res. - Adj. No. 25	24	831,430	5,480	487	3,357	9,324	12,936	404	1,769	15,109
Total Adjustments to Current Income Taxes		76,213	(257)	(26,702)	814	(26,145)	(691)	(16,074)	465	(16,300)
DEFERRED INCOME TAXES										
Plant Additions - Adj. No. 22	41	485,496	3,235	135	1,415	4,785	7,636	112	746	8,494
Elimination of Closing/Filing - Adj. No. 25	24	(853,613)	(5,626)	(500)	(3,447)	(9,573)	(13,281)	(415)	(1,816)	(15,512)
Other Tax Deductions Adj. No. 23	24	11,368	75	7	46	128	177	6	24	207
Total Adjustments to Deferred Income Taxes		(356,749)	(2,316)	(358)	(1,986)	(4,660)	(5,468)	(297)	(1,046)	(6,811)
Total Adjustments:		(728,305)	(6,146)	(50,376)	(3,011)	(59,533)	(14,665)	(30,505)	(1,523)	(46,693)