

Line	Description	Settlement South Dakota - Gas Adjusted Test Year	MEC Proposed South Dakota - Gas Adjusted Test Year	Difference
	(a)	(b)	(c)	(d)
1	Average Rate Base	\$ 79,670,994	\$ 82,963,000	\$ (3,292,006)
2	Operating Income with Present Rates	4,549,291	4,417,000	132,291
3	Earned Rate of Return	5.710%	5.324%	
4	Allowable Rate of Return	6.920%	7.545%	
5	Required Operating Income	5,513,233	6,259,000	(745,767)
6	Income Deficiency (Excess)	963,942	1,842,000	(878,058)
7	Gross Revenue Conversion Factor	1.53846	1.53846	
8	Revenue Deficiency (Excess)	1,482,988	2,833,846	(1,350,858)
9	Gross Receipts Tax (at 0.0015)	2,224	4,000	(1,776)
10	<b>Total Revenue Deficiency (Excess)</b>	<b>1,485,212</b>	<b>2,847,000</b>	(1,361,788)
11	Revenue with Present Rates	25,298,657	24,196,000	1,102,657
12	<b>Revenue Requirement</b>	<b>\$ 26,783,869</b>	<b>\$ 27,043,000</b>	<b>\$ (259,131)</b>

**SOURCES:**

Column b, line 1: EJP-2, Schedule 1, page 1, column d, line 33  
Column b, line 2: EJP-1, Schedule 2, page 1, column d, line 29  
Column b, line 3: Line 2 divided by line 1  
Column b, line 4: BLC-1, Schedule 1, column e, line 4  
Column b, line 5: Line 1 \* line 4  
Column b, line 6: Line 5 less line 2  
Column b, line 7: Effective FIT Rate / Inverse + 1  
Column b, line 8: Line 6 \* line 7  
Column b, line 9: Line 8 \* 0.0015  
Column b, line 10: Line 8 plus line 9  
Column b, line 11: EJP-1, Schedule 2, page 1, column d, line 2  
Column b, line 12: Line 11 plus line 10

Column c, lines 1-6, 9: Statement M, page 1  
Column c, lines 10-12: Statement M, page 2  
Column c, line 7: Effective FIT Rate / Inverse + 1  
Column c, line 8: line 6 \* line 7