



Vance A. Crocker, P.E.
Vice President, Operations
Vance.Crocker@blackhillscorp.com

409 Deadwood Avenue • PO Box 1400
Rapid City, SD 57709-1400
P: 605.721.2226
F: 605.721.2574

March 31, 2014

HAND-DELIVERED

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol
Pierre, South Dakota 57501

Re: Application of Black Hills Power, Inc. for an Increase in Electric Rates

Dear Ms. Van Gerpen:

Black Hills Power, Inc. (Company) hereby submits its Application to the South Dakota Public Utilities Commission (Commission) for authority and consent to make certain changes in its charges for retail electric service provided to the Company's South Dakota customers, for authority and consent for an accounting order for the Company's FutureTrack Workforce Development Program, for an accounting order regarding its Winter Storm Atlas regulatory asset, for revisions to the cost adjustment tariffs, and other changes to the tariffs for service to its South Dakota electric customers.

The Company herewith submits an original and eleven (11) copies of the following, together with a CD with a pdf version:

<u>VOLUME</u>	<u>SECTION</u>	
1	1	Letter of Transmittal Notice of Proposed Changes of Rates and Charges Attestation by the Authorized Accounting Representative
	2	Tariffs, in legislative and non-legislative format
	3	Comparison of Revenue under Pro Forma and Proposed Rates

Improving life with energy
www.blackhillscorp.com

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VOLUME

SECTION

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Statements A through R showing the Revenue Requirement, including Schedules as appropriate

- A. Balance Sheet
- B. Income Statement
- C. Statement of Retained Earnings
- D. Utility Plant in Service
- E. Accumulated Depreciation
- F. Working Capital
- G. Cost of Capital
- H. Operation and Maintenance Expense
- I. Operating Revenues
- J. Depreciation Expense
- K. Income Taxes
- L. Taxes Other Than Income
- M. Overall Revenue Requirement
- N. Allocated Cost of Service by Jurisdiction
- O. Allocated Cost of Service by SD Customer Class
- P. Energy Cost Adjustment Factors
- Q. Description of Utility Operations
- R. Coal Supply Pricing Methodology

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VOLUME

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Testimony of Witnesses

Vance Crocker
Kyle D. White
Jill S. Tietjen
Mark Lux
Kent J. Kopetzky
Michael J. Fredrich
Jennifer Landis
Laura E. Patterson
Jon Thurber
Christopher J. Kilpatrick
Charles Gray
John J. Spanos
Brian G. Iverson
William E. Avera

The Application proposes an approximate 9.27% increase for South Dakota electric revenues and other changes to the tariffs for service to its South Dakota electric customers. The proposed changes to the rate schedules would increase revenues from South Dakota customers by \$14,634,238 for a South Dakota jurisdictional revenue requirement of \$138,803,591, based on the billings issued for sales of electricity for the twelve months ended September 30, 2013. The proposed changes would affect the billings of approximately 65,500 customers in South Dakota. The requested effective date of the proposed changes is the in-service date of the Cheyenne Prairie Generating Station, which is expected to be October 1, 2014.

The additional revenue requested in the Application is needed to offset the increased costs incurred by the Company in providing service to its customers, including the addition of the Cheyenne Prairie Generating Station.

The Company also requests, effective October 1, 2014:

- 1) Approval of an accounting order allowing the Company to use deferred accounting for the costs associated with the FutureTrack Workforce Development Program that deviate from the costs included in base rates (See Exhibit CJK-4 to Direct Testimony of Christopher J. Kilpatrick);
- 2) Approval of an accounting order for the Company's Winter Storm Atlas regulatory asset if this Application is not resolved by December 31, 2014 (See Exhibit CJK-3 to Direct Testimony of Christopher J. Kilpatrick);
- 3) Approval of revisions to the Energy Cost Adjustment tariff (See Exhibit CJK-2 to Direct Testimony of Christopher J. Kilpatrick); and
- 4) Approval of a modification to the major maintenance account to expense a portion of the plant overhaul cost each year based on a plant's planned maintenance cycle (See Direct Testimony of Mark Lux).

The Company hereby certifies that the Notice of Proposed Changes of Rates and Charges will be exhibited in a conspicuous place in each of the Company's local district offices in the territory affected, for at least thirty (30) days prior to the date such change is to become effective. Each Notice states that the proposed rate and charges are available in that office for inspection. The Company also certifies Notice has been or is being provided to the public in all respects as required by ARSD §§ 20:10:13:17 through 20:10:13:19.

In addition to complying with the requirements of the Commission's administrative rules and regulations pertaining to notifying customers of the Application, the Company is sending a letter and customer notice to key account customers and community and government leaders; and all of our customers will be made aware of this Application through our Notice that will be included in customer bills, our press release and our website www.blackhillspower.com, which will contain information describing the Application. We are also prepared to meet with customer groups as

Ms. Patricia Van Gerpen
March 31, 2014
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requested to provide detailed information regarding our Application. Finally, copies of the Application will be available in all of our local district offices.

The Commission's communications with the Company regarding this Application should be directed to:

Jon Thurber, Manager of Regulatory Affairs
Black Hills Power, Inc.
P.O.Box 1400 – 625 Ninth Street
Rapid City, South Dakota 57709-1400
(605) 721-1603
Jon.Thurber@blackhillscorp.com

with a copy to:

Todd L. Brink, Senior Counsel
Black Hills Power, Inc.
P.O.Box 1400 – 625 Ninth Street
Rapid City, South Dakota 57709-1400
(605) 721-2516
Todd.brink@blackhillscorp.com

with a copy to:

Lee A. Magnuson
Lindquist & Vennum, LLP
101 South Reid Street, Suite 302
Sioux Falls, SD 57103
(605) 978-5201
lmagnuson@lindquist.com

with a copy to:

Amy Koenig
Corporate Counsel
Black Hills Corporation
625 Ninth Street – P.O.Box 1400
Rapid City, South Dakota 57709-1400
(605) 721-1166
amy.koenig@blackhillscorp.com

The Applicant's legal name is Black Hills Power, Inc. with its principal place of business in Rapid City, South Dakota. The Company is a corporation, organized on August 27, 1941 under the laws of South Dakota.

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The Company provides retail electric service in South Dakota, Wyoming and Montana.

The Company requests confidential treatment of the following in their entirety:

Schedule K-1
Schedule K-3
Portions of Exhibits CRG-1, CRG-3, CRG-4, CRG-6, CRG-7 and CRG-8

The noted documents qualify for confidential treatment because they contain proprietary business information which the Company does not disclose to the public. The Company requests these noted documents be treated as confidential forever.

Respectfully submitted,

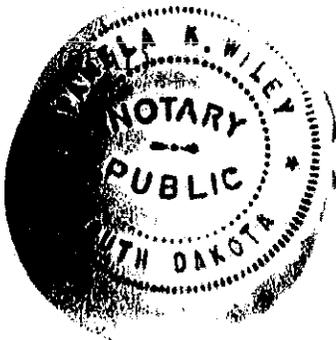
BLACK HILLS POWER, INC.

By *Vance A. Crocker*
Vance Crocker, Vice President of Operations

Sworn to and subscribed before this 28th day of March, 2014.

Patricia K. Wiley
Notary Public of South Dakota

My Commission Expires: 10-5-2015



NOTICE OF PROPOSED CHANGES OF RATES AND CHARGES

NOTICE IS HEREBY GIVEN that Black Hills Power, Inc. has filed an application with the South Dakota Public Utilities Commission ("Commission") requesting i) a 9.27% increase in its South Dakota electric revenues which would increase revenues from South Dakota customers by \$14,634,238; (ii) for authority and consent to make certain changes in its charges for retail electric service provided to the Company's South Dakota customers; (iii) for authority and consent for an accounting order for its FutureTrack Workforce Development Program; (iv) for an accounting order regarding its Winter Storm Atlas regulatory asset; (v) for revisions to the cost adjustment tariffs; and (vi) other changes to the tariffs for service to its South Dakota electric customers. If approved, the increase would be effective no earlier than October 1, 2014.

The actual impact of the requested rate increase on individual customer bills will vary depending on the customer's rate class and amount of energy used. Based on this request, a typical residential customer using an average of 650 kilowatt-hours (kWh) of power each month will see an increase of \$10.91 per month, or about 36 ¢ per day. The increase experienced by commercial and industrial customers will vary depending on rate class, load factor, and amount and nature of use.

This notice was included as part of the Company's Application to the South Dakota Public Utilities Commission.

Under South Dakota law (SDCL 49-34A-12), the customers of an electric utility that is requesting changes in rates have a right to join with 24 other customers and file a written objection to such rate increases and may request the Commission to suspend the rate increase and to hold a public hearing to determine if such rate increase should be allowed.

The application, including the proposed rates and changes and the proposed new tariffs are available in Black Hills Power's office at 409 Deadwood Avenue, Rapid City, South Dakota for inspection during normal business hours. The application is also available in the local district offices of Black Hills Power, Inc. For additional information, you may visit the Company's website www.blackhillspower.com or the Commission website www.puc.sd.gov. If you have any questions regarding the Company's Application, please feel free to contact Black Hills Power at 1-800-742-8948.

BLACK HILLS POWER, INC.

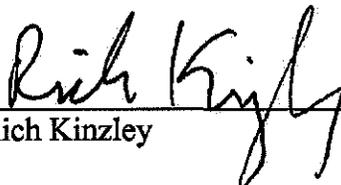
By


Chris Kilpatrick, Director of Regulatory

Dated: March 31, 2014

ATTESTATION

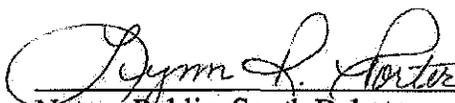
Rich Kinzley attests that he is the Vice President and Corporate Controller of Black Hills Service Company. and is the authorized accounting representative of Black Hills Power, Inc., and that the cost statements and supporting data submitted as part of this filing which purport to reflect the books of Black Hills Power, Inc. do, in fact, set forth the results shown by such books.



Rich Kinzley

Subscribed and sworn before me this 28th day of March, 2014.





Notary Public, South Dakota
My Commission Expires: 12-1-14



Black Hills Power, Inc.
Rapid City, South Dakota

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

SOUTH DAKOTA ELECTRIC RATE BOOK

**TARIFF SCHEDULES
APPLICABLE TO
ELECTRIC SERVICE
OF
BLACK HILLS POWER, INC.**

**625 9TH STREET
P.O. BOX 1400
RAPID CITY, SOUTH DAKOTA 57709**

Date Filed: September 30, 2009

By: Chris Kilpatrick
Director of Rates

Effective Date: April 1, 2010

003958



SOUTH DAKOTA ELECTRIC RATE BOOK

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Twenty-sixth Revised Sheet No. 1
Cancels Twenty-fifth Revised Sheet No. 1

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Date Filed: April 16, 2012

By: Chris Kilpatrick

Effective Date: June 1, 2012

Director of Resource Planning and Rates



SOUTH DAKOTA ELECTRIC RATE BOOK

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Black Hills Power, Inc.
Rapid City, South Dakota

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Date Filed: ~~December 17, 2012~~
March 31, 2014
Docket: ~~EL12-06214-~~

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~October 1, 2013~~
October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

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Ninth Revised Sheet No. 4
Cancels Eighth Revised Sheet No. 4

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Date Filed: April 16, 2012

By: Chris Kilpatrick
Director of Resource Planning and
Rates

Effective Date: June 1, 2012



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

PRELIMINARY STATEMENT

Section No. 2
Third Revised Sheet No. 1
Replaces Second Revised Sheet No. 1

PRELIMINARY STATEMENT

Black Hills Power, Inc. serves in an area generally described as the Black Hills area in Butte, Custer, Fall River, Lawrence, Meade and Pennington Counties in South Dakota. (T)

The Company provides electric service for domestic, commercial and industrial service as prescribed in its Rates, Rules and Regulations.

The following symbols are used in conjunction with this tariff:

- a) "C" shall signify a changed listing, rule or condition which may affect rates or charges;
- b) "D" shall signify discontinued material, including any listing, rate, rule or condition;
- c) "I" shall signify an increase;
- d) "L" shall signify material relocated from or to another part of tariff schedules with no change in text, rate, rule or condition;
- e) "N" shall signify new material including a listing, rate, rule or condition;
- f) "R" shall signify a reduction;
- g) "T" shall signify a change in the wording of the text with no change in the rate, rule or condition.



SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL SERVICE
RATE DESIGNATION - R
Page 1 of 2

Section No. 3
~~Thirteenth~~ Fourteenth Revised Sheet No. 1
~~Twelfth~~ Thirteenth Revised Sheet No. 1

RESIDENTIAL SERVICE

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington counties of South Dakota.

APPLICABLE

To a single-family private dwelling unit supplied through one meter for all domestic use including lighting, cooking, and other household uses. (T)

This schedule is not applicable to a residence that is used for commercial, professional, or another gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent, is considered non-domestic and the applicable General Service Rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120 or 120/240 volts.

NET MONTHLY BILL

<u>Rate</u>		
<u>Customer Charge</u>	\$8.75	10.00 (I)
<u>Energy Charge</u>	All Usage at \$0.0875	560.10697 per kWh (I)
<u>Minimum</u>	The Customer Charge	

Date Filed: ~~December 17, 2012~~
March 31, 2014
Docket: ~~EL12-06114-~~

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~October 1, 2013~~
October 1, 2014



SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL SERVICE	Section No. 3
RATE DESIGNATION - R	Twelfth-Thirteenth Revised Sheet No. 2
Page 2 of 2	Replaces Eleventh-Twelfth Revised Sheet No. 2

RESIDENTIAL SERVICE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment-Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Customers requesting service for cottages or cabins if discontinued and then resumed within twelve months after service was first discontinued shall pay all charges that would have been billed had service not been discontinued.
3. Company-approved water heaters shall have a tank capacity of not less than 30 gallons and an electric capacity of not more than 4,500 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.
4. The Company reserves the right to limit electrical demand during time of the Company's peak load.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

Date Filed: ~~January 25, 2011~~
March 31, 2014
Docket: EL14-

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~June 1, 2011~~
October 1, 2014



SOUTH DAKOTA ELECTRIC RATE BOOK

TOTAL ELECTRIC RESIDENTIAL SERVICE
RATE DESIGNATION - RTE
Page 1 of 2

Section No. 3
~~Thirteenth~~ ~~Fourteenth~~ Revised Sheet No. 3
Replaces ~~Twelfth~~ ~~Thirteenth~~ Revised Sheet No. 3

TOTAL ELECTRIC RESIDENTIAL SERVICE

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To a single-family private dwelling unit supplied through one meter for all domestic use, including lighting, cooking, household electrical appliances, water heating, space heating, and air conditioning, where electric service is the only source of energy for the dwelling unit, except energy provided by wood burning fireplaces used primarily for aesthetic purposes.

This schedule is not applicable to a residence which is used for commercial, professional or any other gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent, is considered non-domestic and the applicable General Service rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at a nominal voltage of 120/240 volts.

NET MONTHLY BILL

<u>Rate</u>		
<u>Customer Charge</u>	\$11.2512.50	(I)
<u>Energy Charge</u>	All usage at \$0.066700.07877 per kWh	(I)
<u>Minimum</u>	The Customer Charge	

Date Filed: ~~December 17, 2012~~
March 31, 2014
Docket: EL42-06114-

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013
October 1, 2014



SOUTH DAKOTA ELECTRIC RATE BOOK

TOTAL ELECTRICAL RESIDENTIAL SERVICE
RATE DESIGNATION - RTE
Page 2 of 2

Section No. 3
~~Twelfth~~ Thirteenth Revised Sheet No. 4
Replaces ~~Eleventh~~ Twelfth Revised Sheet No. 4

TOTAL ELECTRIC RESIDENTIAL SERVICE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment ~~Adjustment~~ tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis.
3. Company-approved water heaters shall have a tank capacity of not less than 30 gallons and an electric capacity of not more than 4,500 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.
4. The Company reserves the right to limit electrical demand during time of the Company's peak load.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

Date Filed: ~~January 25, 2014~~
March 31, 2014
Docket: EL 14-

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~June 1, 2011~~
October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3
Eighth Revised Sheet No. 5
Replaces Seventh Revised Sheet No. 5

(Reserved)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on and
after January 1, 2007

003968



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3
Eighth Revised Sheet No. 6
Replaces Seventh Revised Sheet No. 6

(Reserved)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on and
after January 1, 2007

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SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE	Section No. 3
RATE DESIGNATION - GS	Thirteenth-Fourteenth Revised Sheet No. 7
Page 1 of 2	Replaces Twelfth -Thirteenth Revised Sheet No. 7

GENERAL SERVICE

AVAILABLE

At points on the Company's existing distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers using electric service supplied at one point of delivery and for which no specific schedule is provided. This schedule is not applicable to standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge \$11.50 12.50 (I)

Capacity Charge

No Charge for first 5 kW of Billing Capacity (D)
 \$ ~~7.618158~~ 8.50 per kW for next ~~45~~ first 50 kW of Billing Capacity (I)(C)
 \$ ~~7.24408~~ 8.00 per kW for all additional kW of Billing Capacity (I)

Energy Charge

\$~~0.098140~~ 0.08856 per kWh for first ~~1,000~~ 3,000 kWh (R)(C)
 \$0.08148 per kWh for next ~~2,000~~ kWh (D)
 \$0.06939 per kWh for next ~~12,000~~ kWh (D)
 \$0.05217 0.07156 per kWh for all additional kWh (I)

Minimum

The Capacity Charge of ~~\$2.66~~ 2.90 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge. (I)

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GENERAL SERVICE
RATE DESIGNATION - GS
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Section No. 3
~~Twelfth-Thirteenth~~ Revised Sheet No. 8
Replaces ~~Eleventh-Twelfth~~ Revised Sheet No. 8

GENERAL SERVICE

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment-Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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GENERAL SERVICE - TOTAL ELECTRIC
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Section No. 3
~~Thirteenth~~ Fourteenth Revised Sheet No. 9
~~Twelfth~~ Thirteenth Revised Sheet No. 9

GENERAL SERVICE - TOTAL ELECTRIC

AVAILABLE

At points on the Company's existing distribution facilities supplied by it interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers supplied at one point of delivery for general use including space heating and air conditioning, where electric service is the only source of energy at the service location, whose connected space heating load is not less than thirty percent (30%) of the total connected load, and for which no specific schedule is provided. This schedule is not applicable to temporary, standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge \$17.0018.50 (I)

Capacity Charge

No charge for first 5kW of Billing Capacity (D)
~~\$7.08~~7.70 per kW for the ~~next 45~~first 50 kW of Billing Capacity (I)(C)
~~\$6.59~~7.20 per kW for all additional kW of Billing Capacity (I)

Energy Charge

~~\$0.0677~~0.06210 per kWh for the first 6,000 kWh (I)
~~\$0.0523~~0.05589 per kWh for all additional kWh (I)

Minimum

The Capacity Charge but not less than ~~\$2.66~~2.90 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge. (I)

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GENERAL SERVICE - TOTAL ELECTRIC
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Section No. 3
~~Twelfth-Thirteenth~~ Revised Sheet No. 10
Replaces ~~Eleventh-Twelfth~~ Revised Sheet No. 10

GENERAL SERVICE – TOTAL ELECTRIC

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment-Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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GENERAL SERVICE - LARGE
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Section No. 3
~~Thirteenth-Fourteenth~~ Revised Sheet No. 11
Replaces ~~Twelfth-Thirteenth~~ Revised Sheet No. 11

GENERAL SERVICE - LARGE

AVAILABLE

At points on the Company's existing transmission and distribution facilities supplied by its interconnected transmission system, within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To large power users for their entire electric service requirements supplied at one point of delivery and who agree to a Billing Capacity of 125 kilovolt-amperes (kVA) or more. This schedule is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a ~~single standard utilization voltage most available to the location of the customer.~~ the Customer's service voltage (less than 69,000 volts) or secondary voltage (480 volts or below). (D)
(N)
(N)

NET MONTHLY BILL

Primary Service: (SD731) (N)

Rate

Capacity Charge – On-Peak

~~\$1,350.00~~ 1,536.50 for the first 125 kVA or less of Billing Capacity (I)
\$ ~~8.6262~~ 15.50 for each additional kVA of Billing Capacity (I)

Capacity Charge – Off-Peak

Customers having a Contract Capacity of 250 kVA or greater may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above the On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

~~\$0.038620~~ 0.3330 per kWh for the first 50,000 kWh (R)
~~\$0.03721~~ per kWh for the next 450,000 kWh (D)
~~\$0.032400~~ 0.02800 per kWh for each additional kWh (R)

Minimum

The Capacity Charge but not less than ~~\$2.442.79~~ per kVA times the highest Billing Capacity applicable in the twelve months ending with and including the current month, plus any tax adjustment. (I)

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Section No. 3
~~Twelfth-Thirteenth~~ Revised Sheet No. 12
Replaces ~~Eleventh-Twelfth~~ Revised Sheet No. 12

GENERAL SERVICE - LARGE

Secondary Service: (SD721)

(N)

Rate

Capacity Charge – On-Peak

\$1,536.50 for the first 125 kVA or less of Billing Capacity

\$ 16.13 for each additional kVA of Billing Capacity

Capacity Charge – Off-Peak

Customers having a Contract Capacity of 250 kVA or greater may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above the On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

\$0.03900 per kWh for the first 50,000 kWh

\$0.03569 per kWh for each additional kWh

Minimum

The Capacity Charge but not less than \$2.79 per kVA times the highest Billing Capacity applicable in the twelve months ending with and including the current month, plus any tax adjustment.

BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the month determined by dividing the maximum capacity in kilowatts (kW) by the power factor.
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months.
- c. Eighty percent of the Contract Capacity as stated in the Electric Service Agreement.

The power factor will be determined at the Company's option by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal or by permanent measurement. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the test period by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new Contract Capacity equal to the average of the three (3) highest measured Billing Capacities during the year will be established and the customer will be notified in writing prior to implementation.

SUBSTATION OWNERSHIP DISCOUNT

(D)

~~Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from~~

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Black Hills Power, Inc.
Rapid City, South Dakota

Rate Codes 21 and 30 (SD721, SD731)

the Company's most available 69 kV distribution facilities or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.30 per kVA of Billing Capacity for 69 kV distribution facilities and \$0.18 per kVA of Billing Capacity for primary distribution service.

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GENERAL SERVICE - LARGE
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Section No. 3
~~Thirteenth~~ ~~Fourteenth~~ Revised Sheet No. 13
Replaces ~~Twelfth~~ ~~Thirteenth~~ Revised Sheet No. 13

GENERAL SERVICE - LARGE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment ~~Adjustment~~ tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than three years and if not then terminated by at least three months prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the Company's General Rules and Regulations.
3. Notice will be provided defining On-Peak hours and a thirty days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of the impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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INDUSTRIAL CONTRACT SERVICE
RATE DESIGNATION - IC
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Section No. 3
~~Thirteenth~~ ~~Fourteenth~~ Revised Sheet No. 14
Replaces ~~Twelfth~~ ~~Thirteenth~~ Revised Sheet No. 14

INDUSTRIAL CONTRACT SERVICE

AVAILABLE

At points on the Company's existing interconnected distribution system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To large industrial power users receiving 69 kV service supplied at one point of delivery. Service is by Industrial Contract Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's 69 kV distribution facilities (69,000 volts and above) stated in the Industrial Service Agreement.

NET MONTHLY BILL

Rate

Capacity Charge – On-Peak

69 kV Service @ \$8.259.42 per kVA of Billing Capacity

(l)

Capacity Charge – Off-Peak

Customer may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above their On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

69 kV Service @ \$0.019370.021 per kWh

(l)

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; or
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. The minimum level for 69 kV Service will be 10,000 kVA

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INDUSTRIAL CONTRACT SERVICE
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Page 2 of 2

Section No. 3
~~Twelfth-Thirteenth Revised Sheet No. 15~~
Replaces ~~Eleventh-Twelfth Revised Sheet No. 15~~

INDUSTRIAL CONTRACT SERVICE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than five years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Notice will be provided defining On-Peak hours and thirty (30) days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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PRIVATE OR PUBLIC AREA LIGHTING SERVICE
RATE DESIGNATION - PAL
Page 1 of 3

Section No. 3
~~Fifteenth-Sixteenth~~ Revised Sheet No. 16
Replaces ~~Fourteenth-Fifteenth~~ Revised Sheet No. 16

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

AVAILABLE

At points on the Company's existing secondary distribution facilities where un-metered 120/240 volt service is available within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To any customer who contracts for the illumination of outdoor areas of private or public property.

NATURE OF SERVICE

The Company will install, own and operate the necessary Mercury Vapor (MV) or High Pressure Sodium Vapor (HPSV) Fixture(s). Energy-only service is also available for customer-owned Mercury Vapor and High-Pressure Sodium Vapor installations.

NET MONTHLY BILL

Rate

- a. For Luminaries in fixtures supported by a bracket not exceeding four feet in length, mounted on existing wood poles and connected to an existing secondary circuit:

Nominal Lamp Rating

9,500 Lumen HPSV Luminaire	(100 Watt)	\$ 8.439.46 per unit	(1)
27,500 Lumen HPSV Luminaire	(250 Watt)	\$ 14.0815.92 per unit	
7,000 Lumen MV Luminaire	(175 Watt)	\$ 7.708.79 per unit	
20,000 Lumen MV Luminaire	(400 Watt)	\$ 12.5414.48 per unit	

- b. For standard floodlight fixtures consisting of enclosed Mercury Vapor or High-Pressure Sodium Vapor lamps supported by a bracket not exceeding two feet in length:

Nominal Lamp Rating

27,500 Lumen HPSV Floodlight	(250 Watt)	\$ 19.9622.38 per unit	(1)
50,000 Lumen HPSV Floodlight	(400 Watt)	\$ 37.0941.49 per unit	
20,000 Lumen MV Floodlight	(400 Watt)	\$ 18.4420.94 per unit	
55,000 Lumen MV Floodlight	(1,000 Watt)	\$ 30.9035.59 per unit	

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PRIVATE OR PUBLIC AREA LIGHTING SERVICE
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Section No. 3
Sixteenth ~~Seventeenth~~ Revised Sheet No. 17
Replaces ~~Fifteenth~~ Sixteenth Revised Sheet No. 17

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

NET MONTHLY BILL (Continued)

c. For customer installations connected to an existing secondary circuit:

<u>Nominal Lamp Rating</u>			
2,200 Lumen HPSV Luminaire	(35 Watt)	\$ 4.641.84	per unit
4,000 Lumen HPSV Luminaire	(50 Watt)	\$ 4.671.91	per unit
6,400 Lumen HPSV Luminaire	(70 Watt)	\$ 4.922.20	per unit
9,500 Lumen HPSV Luminaire	(100 Watt)	\$ 2.703.09	per unit
16,000 Lumen HPSV Luminaire	(150 Watt)	\$ 3.684.23	per unit
27,500 Lumen HPSV Luminaire	(250 Watt)	\$ 5.045.79	per unit
50,000 Lumen HPSV Luminaire	(250 Watt)	\$ 5.045.79	per unit
127,000 Lumen HPSV Luminaire	(1,000 Watt)	\$ 18.1921.03	per unit
7,000 Lumen MV Luminaire	(175 Watt)	\$ 3.654.31	per unit
11,000 Lumen MV Luminaire	(250 Watt)	\$ 5.045.79	per unit
20,000 Lumen MV Luminaire	(400 Watt)	\$ 8.259.50	per unit
122,000 Lumen MH Luminaire	(400 Watt)	\$ 8.259.50	per unit

(I)

d. For special installations involving material and equipment not included in "a" and "b" above, the charge per month shall be as follows:

Charge for Luminaires same as "a" above; or for Floodlights same as "b" above, plus 1.25% of Company's actual investment in such installation (which shall include poles, wire and all other materials and installation costs).

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.



SOUTH DAKOTA ELECTRIC RATE BOOK

PRIVATE OR PUBLIC AREA LIGHTING SERVICE
RATE DESIGNATION - PAL
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Section No. 3
Thirteenth Revised Sheet No. 18
Replaces Twelfth Revised Sheet No. 18

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

TERMS AND CONDITIONS

1. Standard fixtures available for installation hereunder shall be determined by the Company on the basis of quality, capital and maintenance costs, long-term availability and other factors.
2. Company will install fixtures only on poles having available space.
3. Fixtures shall be operated by photo-electric control to provide service from approximately one-half hour after sunset to one-half hour before sunrise.
4. Customer shall assume responsibility for notifying Company when Company's fixtures are inoperative.
5. Replacement of lamps due to ordinary burnout shall be made at Company expense during regularly scheduled working hours. Replacement because of breakage for any reason shall be charged to customer at Company's cost.
6. Customer shall provide or secure all necessary right-of-way permits and/or easements needed to provide service under this schedule.
7. Company may refuse to install or may remove from service upon notice to customer any fixture provided for herein for any reason, including but not limited to the following: relocation of distribution facilities and where such fixture or its operation could cause an unsatisfactory condition affecting the quality of life in the immediate area, or public safety, or could be in violation of any local ordinance or development restriction.
8. Energy-only service is available only to customers who install, own and maintain all required electric and lighting facilities past the Company's existing secondary circuit at which electric service is provided.
9. Service will be rendered under the Company's General Rules and Regulations.
10. This schedule is predicated on continuous service of 12 months per year.

CONTRACT PERIOD

Service under this schedule shall be by written agreement for a minimum period of years as specified:
Service under Rate "a", Rate "b", and Rate "c" - two years.
Special installation under Rate "d" - ten years.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold and/or the volume of energy generated and sold.

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IRRIGATION PUMPING
RATE DESIGNATION - IP
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Section No. 3
~~Thirteenth~~ ~~Fourteenth~~ Revised Sheet No. 19
Replaces ~~Twelfth~~ ~~Thirteenth~~ Revised Sheet No. 19

IRRIGATION PUMPING

AVAILABLE

To parties who own and/or operate irrigation pumping stations located at or near the Company's existing distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers using electric service supplied at one point of delivery for irrigation pumping. Service is by Irrigation Pumping Contract (IPC) only and is not applicable for temporary, standby supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase and at the voltage stated in the IPC.

RATE

Capacity Charge

\$~~26.54~~28.92 per season per horsepower of connected load. (I)

Energy Charge

\$~~0.0598~~40.0745 per kWh for all energy used. (I)

METHOD OF BILLING

One-third of the Capacity Charge will be billed for each of the months of April, May, and June. The Energy Charge will be billed monthly based on usage.

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IRRIGATION PUMPING
RATE DESIGNATION - IP
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Section No. 3
~~Thirteenth-Fourteenth~~ Revised Sheet No. 20
Replaces ~~Twelfth-Thirteenth~~ Revised Sheet No. 20

IRRIGATION PUMPING

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost (T)
~~adjustment~~ Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than ten years is required when distribution facilities are expanded or a three year term is required with no distribution facility expansion and then if not terminated by at least thirty (30) days prior written notice by either party, shall continue until so terminated.

TERMS AND CONDITIONS

1. Service is by Irrigation Pumping Contract (IPC).
2. Determination of connected load: the Company shall determine the connected horsepower by nameplate rating of the motors, or at its option by test under conditions of maximum operating load.
3. Customer shall maintain a power factor at the point of delivery of not less than 85% lagging.
4. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

STREET LIGHTING
RATE DESIGNATION - SL
Page 1 of 3

Section No. 3
Thirteenth Revised Sheet No. 21
Replaces Twelfth Revised Sheet No. 21

STREET LIGHTING

AVAILABLE

At points within 150 feet of the Company's existing secondary distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties in South Dakota.

(T)

APPLICABLE

To incorporated municipalities, townships, counties, or governmental agencies for the lighting of public streets, highways, alleys, and thoroughfares. Company owned lighting service is not available for floodlighting of swimming pools, athletic fields, parking lots, and other similar projects, public or private. Customer-owned systems must be complete with standards or towers, luminaries with glassware, lamps and other appurtenances, together with all necessary cable extending between standards or towers and to points of connection to Company's facilities as designated by the Company.

SERVICE PROVIDED

The following three types of service are available under this rate schedule:

1. **Energy Service**

The Company shall furnish all electrical energy necessary to operate the street lighting system.

2. **Energy and Maintenance Service**

The Company shall furnish all electric energy necessary to operate the street lighting system. The Company shall also make lamp, glassware, and photo-electric cell renewals and shall periodically clean the glassware. Maintenance for damages caused by malicious mischief shall be the responsibility of the customer.

3. **Total Street Lighting Service**

The Company shall provide the energy maintenance service described in (2) above, and the Company shall install, own, and operate the street lighting system. The type and kind of luminaries and supports will be in accordance with Company specifications.



SOUTH DAKOTA ELECTRIC RATE BOOK

STREET LIGHTING
RATE DESIGNATION - SL
Page 2 of 3

Section No. 3
Fourteenth-Fifteenth Revised Sheet No. 22
Replaces Thirteenth-Fourteenth Revised Sheet No. 22

STREET LIGHTING

NET MONTHLY BILL

Rate

- a. For fixtures only supported by distribution type wood poles and served aerially within 150 feet of existing secondary distribution:

Lamp Type & Nominal Rating	Customer Owned		Company Owned
	Energy Service	Energy and Maintenance Service	Total Street Lighting Service
<u>Mercury Vapor</u>			
20,000 Lumen (400 Watt)	\$8,259.50		\$
<u>High-Pressure Sodium Vapor*</u>			
2,200 Lumen (35 Watt)	\$ 1,641.84		
4,000 Lumen (50 Watt)	1,671.91		
5,500 Lumen (70 Watt)	1,922.20		
9,500 Lumen (100 Watt)	2,793.09	\$ 5,666.28	\$40,8312.11
14,000 Lumen (150 Watt)	3,684.23		43,7315.33
27,500 Lumen (250 Watt)	5,045.79	9,6410.77	45,2617.14
50,000 Lumen (400 Watt)	8,259.50	13,2214.91	24,3427.43
127,000 Lumen (1,000 Watt)	18,1921.03		
<u>Metal Halide</u>			
11,000 Lumen (100 Watt)	\$2,693.08		
16,000 Lumen (150 Watt)	3,684.23		
18,500 Lumen (175 Watt)	3,654.31		
22,000 Lumen (250 Watt)	5,045.79		
35,500 Lumen (400 Watt)	8,259.50		
40,000 Lumen (450 Watt)	9,2810.61		

*The Company Owned Total Street Lighting rates are not available for new mercury vapor or 150 watt high-pressure sodium vapor street lighting installations.

- b. For special installations involving material and equipment not included in (a) above, the charge per month shall be as follows:
Charge for luminaries and fixtures same as (a) above plus 1.25 percent of the difference between Company's actual investment in such installations and the investment cost of an overhead street lighting installation supported by distribution type wood poles and served aerially within 150 feet of existing secondary distribution.

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SOUTH DAKOTA ELECTRIC RATE BOOK

STREET LIGHTING
RATE DESIGNATION - SL
Page 3 of 3

Section No. 3
~~Thirteenth~~ ~~Fourteenth~~ Revised Sheet No. 23
Replaces ~~Twelfth~~ ~~Thirteenth~~ Revised Sheet No. 23

STREET LIGHTING

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Luminaries shall be turned on and off automatically by a photoelectric control, and the nightly hours of burning shall be from approximately one-half hour after sunset until one-half hour before sunrise.
2. If illumination from any lamp is interrupted and said illumination is not resumed within 48 hours from the time Company receives notice thereof from customer, one-thirtieth (1/30th) of the monthly rate for such lamp shall be deducted for each night of non-illumination after such notice is received.
3. Customer shall pay all costs for relocation and/or removal of luminaries when requested by customer.
4. The Company will, if requested by the customer, furnish personnel, materials, tools and equipment for the purpose of maintaining, repairing, or replacement of the customer's street lighting system. The customer shall reimburse the Company for all costs properly and reasonably incurred by it in such performance, including not to exceed fifteen percent (15%) thereof for administrative and general expenses, such costs to be determined on the basis of current charges or rates used by the Company in its own operation. Performance by the Company contemplated hereunder includes, but is not limited to, the replacement of lamps and glassware, the replacement of ballasts and the periodic painting of standards.
5. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated or sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

MUNICIPAL PUMPING
RATE DESIGNATION - MP
Page 1 of 2

Section No. 3
~~Thirteenth~~ Fourteenth Revised Sheet No. 24
~~Twelfth~~ Thirteenth Revised Sheet No. 24

MUNICIPAL PUMPING

AVAILABLE

At points on the Company's existing distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To incorporated municipalities for electric service which is needed for and used in connection with the year-round operation of water utility pumping and treatment and sewage disposal facilities. This schedule is not applicable to temporary, standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of customer.

NET MONTHLY RATE

<u>Rate</u>	<u>Summer Rate</u>	<u>Winter Rate</u>	
<u>Customer Charge</u>	\$17.00 <u>18.50</u>	\$17.00 <u>18.50</u>	(I)
<u>Capacity Charge</u>	\$6.424559.00 per kW of Billing Capacity	\$4.89 <u>58.25</u> per kW of Billing Capacity	(I)
<u>Energy Charge</u>	All usage at \$0.0424 <u>20.0443</u> per kWh	All usage at \$0.0424 <u>20.0443</u> per kWh	(I)

Minimum

The Capacity Charge but not less than the applicable Customer Charge.

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying the eighty-five percent and dividing the power factor expressed in percent. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatts used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

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SOUTH DAKOTA ELECTRIC RATE BOOK

MUNICIPAL PUMPING
RATE DESIGNATION - MP
Page 2 of 2

Section No. 3
~~Twelfth-Thirteenth~~ Revised Sheet No. 25
Replaces ~~Eleventh-Twelfth~~ Revised Sheet No. 25

MUNICIPAL PUMPING

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost (T)
~~adjustment-Adjustment~~ tariffs in Section No. 3C, Tariff Sheet No. 11.

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. This schedule is predicated on continuous service of twelve months per year. If the customer desires only seasonal service, such service will be provided under the Company's applicable General Service schedule.
2. This schedule is not applicable for the pumping of water from streams, ponds, or lakes and applied directly to public parks and grounds for irrigation purposes or for other similar projects.
3. The Summer Rate shall apply to usage between June 1 through October 31. The Winter Rate shall apply to usage between November 1 through May 31. The Company reserves the right to modify the months applicable to the summer-winter billing periods.
4. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

TRAFFIC SIGNALS
RATE DESIGNATION - TS
Page 1 of 2

Section No. 3
~~Thirteenth-Fourteenth~~ Revised Sheet No. 26
Replaces ~~Twelfth-Thirteenth~~ Revised Sheet No. 26

TRAFFIC SIGNALS

AVAILABLE

At points within 200 feet of the Company's existing secondary distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To municipal, state, and federal governments, their agencies and subdivisions, for the operation of customer-owned traffic signals and caution lights on public streets and highways for traffic regulation. This schedule is not applicable to standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase at nominal voltage of 120 volts.

NET MONTHLY BILL

<u>Rate</u>			
<u>Customer Charge</u>	<u>\$8.70</u>	<u>12.50</u>	(1)
<u>Energy Charge</u>			
All energy used at 0.05896	<u>\$0.0680</u>	per kWh	(1)
<u>Minimum</u>			
The Customer Charge			

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SOUTH DAKOTA ELECTRIC RATE BOOK

TRAFFIC SIGNALS
RATE DESIGNATION - TS
Page 2 of 2

Section No. 3
~~Twelfth-Thirteenth~~ Revised Sheet No. 27
Replaces ~~Eleventh-Twelfth~~ Revised Sheet No. 27

TRAFFIC SIGNALS

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment ~~Adjustment~~ tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. The customer at its own expense shall install, operate, and maintain the traffic signals and caution lights. Such equipment shall be of types which will not interfere with other service rendered by the Company at reasonable times.
2. The customer shall extend its service leads to the point of connection at the Company's meter, such point to be designated by the Company.
3. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

CUSTOMER SERVICE CHARGE
RATE DESIGNATION - C
Page 1 of 2

Section No. 3
Eleventh Revised Sheet No. 28
Replaces Tenth Revised Sheet No. 28

CUSTOMER SERVICE CHARGE

APPLICABLE

This schedule applies to all customers requesting service under any of the following rate schedules:

- R Regular Residential Service
- RD Residential Demand Service
- UCR Utility Controlled Residential Service
- RTE Total Electric Residential Service
- GS General Service
- GTE General Service – Total Electric
- UCG Utility Controlled General Service
- ES Energy Storage Service
- SIGS Small Interruptible General Service
- GL General Service – Large
- GLC General Service – Large (Optional Combined Account Billing)
- LPC Large Power Contract Service
- LDC Large Demand Curtailable
- IC Industrial Contract Service
- PAL Private or Public Area Lighting
- IP Irrigation Pumping
- MP Municipal Pumping
- TS Traffic Signals
- FPS Forest Products Service

RATE

CUSTOMER SERVICE CHARGE: \$20.00

TERMS AND CONDITIONS

1. The charge shall be billed to all customers applying for electric service under the applicable rate schedule in the first regular billing.
2. The Company shall make customer connections during the hours of 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding legal holidays. If the Company is required to make connection other than these hours, appropriate overtime fees shall be assessed.

(T)

RECONNECTION

Reconnection of a service which has been disconnected for non-payment of customer's utility account:

Payment received before 5:00PM: \$30.00

(T),(I)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

CUSTOMER SERVICE CHARGE
RATE DESIGNATION - C
Page 2 of 2

Section No. 3
Fourth Revised Sheet No. 29
Replaces Third Revised Sheet No. 29

RECONNECTION (continued)

TERMS AND CONDITIONS

1. For re-establishment of service as the result of disconnection for non-payment of a bill, the charge shall be paid in advance of customer receiving power and energy from the Company.
2. The Company shall make customer connections for non-payment of a bill when payment is received before 5:00 P.M., Monday through Friday, excluding legal holidays. If the payment necessary for reconnections is received after 5:00 P.M. Mon.-Fri. or weekends and holidays, a fee of \$60.00 shall be assessed. (T)

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TEMPORARY SERVICE

Temporary electric service is available for construction purposes. The customer will be responsible for the direct cost incurred to provide temporary construction power. All temporary service will be provided under General Service tariff. Temporary service is available to customers only after a customer has provided a meter pedestal which meets the requirements of the Company's Engineering Handbook.

Temporary service does not include any costs associated with extending the primary or secondary distribution to the construction site or the installation of the transformer. Customer requested line extensions are provided under Section 800, Line Extensions, of the Company's Rules and Regulations.

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SOUTH DAKOTA ELECTRIC RATE BOOK

METER TEST DEPOSITS
RATE DESIGNATION - MT
Page 1 of 1

Section No. 3
Fourth Revised Sheet No. 30
Replaces Third Revised Sheet No. 30

METER TEST DEPOSITS

RESIDENTIAL METER TEST DEPOSIT

If a residential meter test request is made within one year after a previous request, the Company will receive the appropriate deposit from the customer prior to conducting the meter test. The residential meter types and meter test deposits are:

<u>Meter Type</u>	<u>Meter Test Deposit</u>
Single Phase	\$10
Single Phase Demand	\$10

NON-RESIDENTIAL METER TEST DEPOSIT

If a non-residential meter test request is made within one year after a previous request, the Company will receive the appropriate deposit from the customer prior to conducting the meter test. The non-residential meter types and their associated meter test deposits are:

<u>Meter Type</u>	<u>Meter Test Deposit</u>
Single Phase	\$10
Single Phase Demand and Self-Contained Three Phase	\$20
All Others	\$30

The meter test deposit of a residential or non-residential customer will be refunded only if the meter is found to have an average recording error of at least 2 percent slow or fast. If the meter is found to be in error, the previous electric billings of the customer will be adjusted as provided for in Section 703.1 of the Company's Rules and Regulations for South Dakota electric service.



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE POWER CONTRACT SERVICE
RATE DESIGNATION - LPC
Page 1 of 3

Section No. 3
~~Seventh-Eighth~~ Revised Sheet No. 31
Replaces ~~Sixth-Seventh~~ Revised Sheet No. 31

LARGE POWER CONTRACT SERVICE

AVAILABLE

At points on the Company's existing interconnected distribution system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To any single natural person, partnership, limited liability company, corporation, or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts at multiple service locations. Each Single Customer account currently billed on Company's General Service - Large rate tariff will be considered by the Company for Large Power Contract Service on a case by case basis. Single Customer's energy use (kWh), reactive energy use (kVARh), and peak demand (kW), for each service will be added together and the combined totals will be used in calculating the Single Customer's electric bill. This schedule is not applicable for temporary, standby, supplementary, emergency, resale or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's distribution voltage (less than 69,000 volts) stated in the Contract Service Agreement.

NET MONTHLY BILL

Rate

Service Charge - ~~\$7,964.00~~9,087.00 (I)

Capacity Charge - ~~\$7.949.03~~ per kVA of Billing Capacity (R)

Energy Charge @ ~~\$0.026690.03046~~ per kWh for the first 3,000,000 kWh (I)

Energy Charge @ ~~\$0.023990.02738~~ per kWh for all additional kWh (I)

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; determined by dividing the combined maximum capacity in kilowatts (kW) by the power factor; or
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as stated in the Contract Service Agreement; or
- d. The minimum level for Large Power Contract Service will be 6,000 kVA.

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SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE POWER CONTRACT SERVICE
RATE DESIGNATION - LPC
Page 2 of 3

Section No. 3
Seventh ~~Eighth~~ Revised Sheet No. 32
Replaces ~~Sixth~~ ~~Seventh~~ Revised Sheet No. 32

LARGE POWER CONTRACT SERVICE

The power factor is defined to be the quotient obtained by dividing the combined kilowatt-hours used during the metering period by the square root of the sum of the squares of the combined kilowatt-hours used and the combined lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment-Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than five years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
3. Additional accounts may be added to the combined bill through an Amendment to Exhibit A of the Electric Power Service Contract as long as they meet the applicable criteria- and their annual costs are less on the General Service Large tariff (SD721) when compared to the annual costs on the tariff currently applied to the account. The account's past 12 months energy use and demand are used when making the comparison.
4. ~~Metering periods shall be approximately 30 days and are expected to be different periods for geographically dispersed service locations. Once coincident demand and energy billing is implemented, the metering periods for each service location shall be identical.~~
5. ~~Billing under this service shall be provided in a single statement bill.~~

(N)

(C)

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Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code (SD772)

SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE POWER CONTRACT SERVICE
RATE DESIGNATION - LPC
Page 3 of 3

Section No. 3
Original Sheet No. 32A

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GLC
Page 1 of 3

Section No. 3
~~Fourth-Fifth~~ Revised Sheet No. 33
Replaces ~~Third-Fourth~~ Revised Sheet No. 33

GENERAL SERVICE - LARGE
(Optional Combined Account Billing)

AVAILABLE

At points on the Company's existing transmission and distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To any single natural person, partnership, limited liability company, corporation, or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts at multiple service locations. Each Single Customer account currently billed on Company's General Service Large rate tariff must be converted to the Combined Account Billing tariff. (N)
Single Customer accounts approaching a size and character that would qualify for Company's (N)
General Service Large rate tariff will be considered by the Company for Combined Account Billing on a case-by-case basis. Single Customer's energy use (kWh), reactive energy use (kVARh), and peak demand (kW), for each service will be added together and the combined totals will be used in calculating the Single Customer's electric bill. Each service location must have an average minimum (C)
monthly demand of 70 kVA during the previous 12 month period to qualify for the rate. This schedule (C)
is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available at each service location of the customer.

NET MONTHLY BILL

Rate

Service Charge

\$~~92.35~~105.40 per service location (I)

Capacity Charge

\$~~1,350.00~~1,536.50 for the first 125 kVA or less of Billing Capacity (I)

\$ ~~8.62~~216.13 for each additional kVA of Billing Capacity (I)

Energy Charge

\$~~0.0386~~20.03900 per kWh for the first 50,000 kWh (I)

\$~~0.0372~~1 per kWh for the next 450,000 kWh (D)

\$~~0.0321~~0.03569 per kWh for each additional kWh (I)

Minimum

The Service Charge plus the Capacity Charge

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SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GLC
Page 2 of 3

Section No. 3
Fourth-Fifth Revised Sheet No. 34
Replaces Third-Fourth Revised Sheet No. 34

GENERAL SERVICE - LARGE
(Optional Combined Account Billing)

BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the metering period determined by dividing the combined maximum capacity in kilowatts (kW) by the power factor.
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months. Billing Capacity ratchets will not apply to educational facilities, in the nature of school districts, which do not operate year-round.

The power factor is defined to be the quotient obtained by dividing the combined kilowatt-hours used during the metering period by the square root of the sum of the squares of the combined kilowatt-hours used and the combined lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment-Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT TERMS

The initial Contract term shall be three years and the Contract shall then continue as long as the Company has the exclusive legal right to serve the customer. At such time as the customer has the current legal right to receive or request delivery of its electric power from an alternative energy supplier under terms and conditions which are not subject to the jurisdiction of the South Dakota Public Utilities Commission ("Customer Choice"), then the customer may request that the Company meet the terms of a bona fide offer from any alternative energy supplier. The Company's right hereunder to meet the terms of any bona fide offer from an alternative energy supplier shall extend for five years after Customer Choice has been implemented.

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SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GLC
Page 3 of 3

Section No. 3
Third-Fourth Revised Sheet No. 35
Replaces Second-Third Revised Sheet No. 35

GENERAL SERVICE - LARGE
(Optional Combined Account Billing)

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the Company's General Rules and Regulations.
3. ~~Upon mutual agreement between Customer and Company, Company agrees to install metering equipment within five (5) years of the effective date of this contract that will allow the peak demands and energy for each account to be added on a coincident basis. Within six months of the Company's meter data management system becoming fully capable of calculating and billing coincident demand, Company will begin adding the demand and energy for each customer account on a coincident basis~~ (C)
(C)
(N)
4. Additional accounts may be added to the combined bill through an Amendment to Exhibit A of the Electric Power Service Contract as long as they meet the applicable criteria, their average monthly demand during the previous 12 months is 70 kVA or greater and their annual costs are less on the General Service Large tariff (SD721) when compared to the annual costs on the tariff currently applied to the account. The account's past 12 month's energy use and demand are used when making the comparison. (N)
5. ~~Metering periods shall be approximately 30 days and are expected to be different periods for geographically dispersed service locations. Once coincident demand and energy billing is implemented, the metering periods for each service location shall be identical. Accounts must be removed from Combined Billing through an Amendment to Exhibit A and served on the most applicable tariff if the "Single Customer" requirements are no longer applicable. Accounts will be removed from Combined Billing on a case by case basis when the account's annual energy use and demand drop significantly below the size and character of a General Service Large account.~~ (C)
(C)
(N)

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

FOREST PRODUCTS SERVICE
RATE DESIGNATION - FPS
Page 1 of 3

Section No. 3
~~Third~~ Fourth Revised Sheet No. 36
Replaces ~~Second~~ Third Revised Sheet No. 36

FOREST PRODUCTS SERVICE

AVAILABLE

At points on the Company's existing distribution system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To companies operating in the Forest Products Industry for their entire electric service requirements who contract for a Billing Capacity of 3,000 kilovolt-amperes (kVA) or more. Any single natural person, partnership, limited liability company, corporation or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts metered separately located at one location may be included. Each separately metered service must have an average minimum monthly demand of 500 kVA during the previous 12 month period to qualify for the rate. This service is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's distribution voltage (less than 69,000 volts) or secondary voltage (480 volts or below) as ~~started~~ stated in their Agreement.

(T)

NET MONTHLY BILL

Primary Voltage Service

Rate

Capacity Charge

~~\$9.049.99~~ per kVA for the first ~~2,000~~ 5,000 kVA of Billing Capacity

(I)(C)

~~\$8.46~~ per kVA for the next 3,000 kVA of Billing Capacity

(D)

~~\$7.588.65~~ per kVA for each additional kVA of Billing Capacity

(I)

Energy Charge

~~\$0.0348~~ 0.0397 per kWh for the first 800,000 kWh

(I)

~~\$0.03090~~ per kWh for the next 1,200,000 kWh

(D)

~~\$0.026570~~ 0.0328 per kWh for each additional kWh

(I)

Secondary Voltage Service

Rate

Capacity Charge

~~\$9.4510.06~~ per kVA for the first ~~2,000~~ 5,000 kVA of Billing Capacity

(I)(C)

~~\$8.73~~ per kVA for the next 3,000 kVA of Billing Capacity

(D)

~~\$7.858.68~~ per kVA for each additional kVA of Billing Capacity

(I)

Energy Charge

~~\$0.036000~~ 0.0398 per kWh for the first 800,000 kWh

(I)

~~\$0.03204~~ per kWh for the next 1,200,000 kWh

(D)

~~\$0.027700~~ 0.0330 per kWh for each additional kWh

(I)

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SOUTH DAKOTA ELECTRIC RATE BOOK

FOREST PRODUCTS SERVICE
RATE DESIGNATION - FPS
Page 2 of 3

Section No. 3
~~Third-Fourth~~ Revised Sheet No. 37
Replaces ~~Second-Third~~ Revised Sheet No. 37

FOREST PRODUCTS SERVICE

NET MONTHLY BILL (continued)

Minimum

The charge for the Billing Capacity.

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the billing period; or
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. The minimum level will be 2,400 kVA.

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new Contract Capacity equal to the average of the three (3) highest monthly Billing Capacities during the year will be established and the customer will be notified in writing prior to the implementation.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment (T) Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

When the billing period includes a change in the charges of an above referenced Cost Adjustments tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

The initial Contract term shall be three years and the Contract shall then continue as long as the Company has the exclusive legal right to serve the customer. At such time as the customer has the current legal right to receive or request delivery of its electric power from an alternative energy supplier under terms and conditions which are not subject to the jurisdiction of the South Dakota Public Utilities Commission ("Customer Choice"), then the customer may request that the Company meet the terms of a bona fide offer from any alternative.

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Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code (SD764, SD765, SD774)

SOUTH DAKOTA ELECTRIC RATE BOOK

FOREST PRODUCTS SERVICE
RATE DESIGNATION - FPS
Page 3 of 3

Section No. 3
~~Second~~ Third Revised Sheet No. 38
Replaces ~~First~~ Second Revised Sheet No. 38

FOREST PRODUCTS SERVICE

CONTRACT PERIOD (Continued)

energy supplier. The Company's right hereunder to meet the terms of any bona fide offer from an alternative energy supplier shall extend for five years after Customer Choice has been implemented.

TERMS AND CONDITIONS

4. Service will be rendered under the Company's General Rules and Regulations.

(T)

TAX ADJUSTMENT

Bills commuted under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated or sold.

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004003



SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL DEMAND SERVICE
RATE DESIGNATION RD
Page 1 of 3

Section No. 3A
Seventh-Eighth Revised Sheet No. 1
Replaces Sixth-Seventh Revised Sheet No. 1

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any single-family private dwelling unit supplied through one meter with qualifying minimum usage of 1,000 kWh per month on average. ~~This rate will be applicable for service provided during the first complete billing period following the installation of appropriate metering equipment.~~

(D)

This schedule shall not be optional and shall apply for all residential customers taking service for all of their electric load requirements which are in excess of the simultaneous output from generation located at their residence and/or sell to the Company all output which is in excess of the simultaneous customer electric load. Residential customers who have installed generation to partially meet their electricity requirements prior to October 1, 2014 shall be allowed to remain on another residential service schedule for the remainder of their service contract or 10 years, whichever is less.

(N)

This schedule is not applicable to a residence that is used for commercial, professional, or any other gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent is considered non-domestic and the applicable General Service Rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120/240 volts.

NET MONTHLY BILL

Rate

Customer Charge \$42.2514.00

(I)

Energy Charge

All usage at \$0.0187800.02320 per kWh

(I)

Demand Charge

All kW of Billing Demand at \$7.640749.75 per kW

(I)

Demand Charge - Off-Peak (Maximum Value Option)

All Off-Peak kW of Billing Demand exceeding 3.0 times On-Peak Demand at \$7.640749.75 per kW

(I)

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Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 14 (SD714, SD716)

Minimum

The Customer Charge

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SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL DEMAND SERVICE
RATE DESIGNATION - RD
Page 2 of 3

Section No. 3A
~~Seventh-Eighth~~ Revised Sheet No. 2
Replaces ~~Sixth-Seventh~~ Revised Sheet No. 2

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

BILLING DEMAND

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

MAXIMUM VALUE OPTION

Optional time-of-use metering is available for customers owning demand controllers ready to receive a control signal. When a residential time-of-use meter is used for billing purposes, the Billing Demand is the customer's average kilowatt load during the fifteen minute period of maximum On-Peak use during the month. Maximum off-peak demand will be limited to 3 times the On-Peak demand setting in all new demand controller installations. Company may consider programming customer's existing demand controller to limit off-peak use to 3 times the On-Peak setting, depending on the size of the customer's off-peak load. The On-Peak periods are Monday through Friday, 7:00 a.m. to 11:00 p.m. from November 1st through March 31st and Monday through Friday, 10:00 a.m. to 10:00 p.m. from April 1st through October 31st. The hours may be shifted one (1) hour in accordance with the recognized Daylight Savings Time (DST) in the local area and customers will be given prior notice of such change. In addition to the normal Off-Peak periods, the following holidays are considered Off-Peak: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~-Cost adjustment-Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

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October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 14 (SD714, SD716)
(SD887)

SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL DEMAND SERVICE
RATE DESIGNATION - RD
Page 3 of 3

Section No. 3A
Fourth Revised Sheet No. 3
Replaces Third Revised Sheet No. 3

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable residential service rates.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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004007



SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED RESIDENTIAL SERVICE
RATE DESIGNATION - UCR
Page 1 of 2

Section No. 3A
~~Sixth~~ ~~Seventh~~ Revised Sheet No. 4
Replaces ~~Fifth~~ ~~Sixth~~ Revised Sheet No. 4

UTILITY CONTROLLED RESIDENTIAL SERVICE (CLOSED)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any single-family dwelling unit where the energy use meets minimum usage qualifications in any monthly billing period; provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4kW of Company approved permanently connected customer designated loads separately metered from the residential service. Company approved loads will include, but are not limited to, water heating and dual fuel heating systems. Utility controlled service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120 or 120/240 volts except that an interruptible circuit of at least 4kW will be controlled by the Company.

NET MONTHLY BILL

Rate

Customer Charge

~~\$6.50~~ 12.50 per month

(l)

Energy Charge

All usage at ~~\$0.035690~~ 0.04411 per kWh

(l)

Minimum

The Customer Charge

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SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED RESIDENTIAL SERVICE
RATE DESIGNATION - UCR
Page 2 of 2

Section No. 3A
Fifth-Sixth Revised Sheet No. 5
Replaces Fourth-Fifth Revised Sheet No. 5

UTILITY CONTROLLED RESIDENTIAL SERVICE (CLOSED)

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment ~~Adjustment~~ tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under the other applicable residential service rates.
3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meters and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to control customer's loads. For large controlled loads, the customer's controllable load interrupting device may, with Company approval, be located inside the building adjacent to customer's main disconnects.
4. Customer's interruptible loads will be controlled by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 1 of 5

Section No. 3A
~~Eighth-Ninth~~ Revised Sheet No. 6
Replaces ~~Seventh-Eighth~~ Revised Sheet No. 6

ENERGY STORAGE SERVICE

AVAILABLE

To customers installing certain energy efficient electrical equipment that will increase off-peak electrical use and reduce the Company's On-Peak demand, at points on the Company's existing secondary distribution lines supplied by its interconnected transmission system. The rate has been developed as part of the Company's Demand-Side Management strategy.

APPLICABLE

At the customer's election, to General Service customers who operate Company approved energy storage facilities for the purpose of utilizing off-peak electric energy for space conditioning, water heating, battery charging, water pumping, and/or snowmaking. Electric energy will be supplied through a separately metered circuit utilizing the same transformer and service used to serve the balance of the customer's electrical load.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer. Energy Storage Service will be provided on a Time-Of-Use schedule for qualified Partial Storage and Geothermal systems. The number of off-peak hours available will amount to eight hours each day during the winter season, twelve hours each day during the summer season, and 24 hours a day on weekends and major holidays during both summer and winter seasons.

NET MONTHLY BILL

Rate

Customer Charge

~~\$12.00~~ 13.70 per month (l)

Energy Charge

Off-Peak: ~~\$0.040~~ 160.0132 per kWh (l)

On-Peak: ~~\$0.0344~~ 90.0400 per kWh (l)

Capacity Charge

Off-Peak: no charge

On-Peak: ~~\$9.495~~ 11.50 per kW of Billing Capacity (l)

Minimum

The Customer Charge

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SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 2 of 5

Section No. 3A
~~Seventh~~ Eighth Revised Sheet No. 7
~~Replaces Sixth~~ Seventh Revised Sheet No. 7

ENERGY STORAGE SERVICE

BILLING CAPACITY

Customer's average kilowatt load during the fifteen minute period of maximum On-Peak use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen minute duration under conditions which the Company determines to be normal) is less than eighty-five percent (85%) at the point of delivery, the Billing Capacity will be increased by multiplying by eighty five percent (85%) and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

Penalty for Non-compliance

If a Partial Storage customer exceeds their partial storage Limit (expressed in kW) during peak time periods, a penalty of five (5) times the Capacity Charge per kW will be assessed for the difference in kW that the maximum billing capacity exceeds the partial storage limit. The partial storage limit will be determined using design day load profiles from standard industry load calculation methods. A conversion factor of 0.75 kW per ton will be used for Cool Storage applications.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment ~~Adjustment~~ tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

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SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 3 of 5

Section No. 3A
Eighth Revised Sheet No. 8
Replaces Seventh Revised Sheet No. 8

ENERGY STORAGE SERVICE

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule or the service contract.
2. Service will be provided under this rate schedule only to customers who have contracted for service for an initial term of not less than three years. The contract may be terminated at any time on or after the expiration date of the initial term by twelve months written notice.
3. The Company will supply and maintain Time-of-Use metering to provide Off-Peak energy to Full Storage systems and to provide On-Peak and Off-Peak energy for Partial Storage and Geothermal systems.
4. The Company shall have the right to inspect all wiring and equipment connected to the storage circuit. In the event the Company finds that the customer's wiring has been altered or arranged in any manner so that energy is used in any equipment other than Company approved energy storage facilities, the contract for service under this rate schedule may be terminated.
5. The Company may, at its option, install in the energy storage circuit load limiting devices to limit the total load to be served through the energy storage circuit.
6. Off-Peak Hours:

<u>Summer Months</u>	(April 1 – October 31) 10:00 p.m. – 10:00 a.m.	Monday through Friday
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<u>Winter Months</u>	(November 1 – March 31) 11:00 p.m. – 7:00 a.m.	Monday through Friday
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Both Seasons Saturdays, Sundays, and major holidays are considered Off-Peak.

The hours may be shifted one (1) hour in accordance with the recognized Daylight Savings Time (DST) in the local area and customers will be notified prior to such change.

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SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 4 of 5

Section No. 3A
Fifth Revised Sheet No. 9
Replaces Fourth Revised Sheet No. 9

ENERGY STORAGE SERVICE

7. MEANS OF CONTROL:

On Full Storage and Partial Storage systems, Company will install time of use metering to monitor on-peak demand limits. If the On-Peak limit is exceeded the Penalty for Non-Compliance will be assessed.

8. QUALIFIED SYSTEMS:

- A. Full Storage – Available to heating, water heating, cooling, battery storage and water pumping applications that are able to store energy during Off-Peak periods for use during On-Peak periods.
- B. Partial storage – Cooling – Partial storage equipment size must be at least 25% less than conventional equipment size during On-Peak time periods. Chiller equipment, cooling tower pumps and fans, and cool water circulating pumps qualify for the rate. Air handling equipment and hot water circulating pumps do not qualify. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
- C. Partial Storage – Heating and Water Heating – Electric heating and water heating equipment used with Off-Peak storage capability and a heat storage medium (sand, bricks, liquid, etc.) qualify for partial storage when used in the applications listed below. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
 - 1. An Electric Boiler used in combination with water loop heat pumps qualifies for Partial Storage. The Electric Boiler size must be 25% less than conventional equipment during On-Peak periods. Water-loop heat pumps, air handling equipment, and circulating pumps do not qualify.
 - 2. Resistance Heat and Water Heating qualify for Partial Storage when no more than 50% of the system capacity is allowed to operate during On-Peak periods.
- D. Geothermal Applications – Geothermal heat pumps, associated air handling equipment and circulating pumps qualify for the rate. Supplementary resistance heat associated with each heat pump or supplementary electric boiler heat associated with the geothermal system also qualify for the rate.
- E. Partial Storage – Snowmaking – Partial storage equipment size must be at least 50% less than conventional equipment during On-Peak time periods. Primary snowmaking equipment eligible for the rate includes air compressors and water pumps.

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SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 5 of 5

Section No. 3A
Fifth Revised Sheet No. 10
Replaces Fourth Revised Sheet No. 10

ENERGY STORAGE SERVICE

8. DESIGN REVIEW:

Detailed design information must accompany each Energy Storage Application including:

- A. A 24-hour design day cooling, heating, water pumping, and/or snowmaking load profile using standard industry load calculation methods.
- B. A system description with operating strategy. The Demand-Side Management Department shall review and approve the Energy Storage Application and proposed contract.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED GENERAL SERVICE	Section No. 3A
RATE DESIGNATION - UCG	Sixth Seventh Revised Sheet No. 11
Page 1 of 2	Replaces Fifth Sixth Revised Sheet No. 11

UTILITY CONTROLLED GENERAL SERVICE (CLOSED)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to customers receiving firm service under provisions of the General Service rate; provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4 kW of Company approved permanently connected customer designated load which can be separately metered. Company approved loads include, but are not limited to, water heating and dual fuel heating systems. Utility controlled service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Company controlled interruptible alternating current, 60 hertz, at the voltage and phase of the Company's established firm service for each customer.

NET MONTHLY BILL

Rate

Customer Charge

\$~~6.50~~12.50 per month

(l)

Energy Charge

All usage at \$~~0.036200~~0.05000 per kWh

(l)

Minimum

The Customer Charge



SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED GENERAL SERVICE
RATE DESIGNATION - UCG
Page 2 of 2

Section No. 3A
~~Sixth~~ Seventh Revised Sheet No. 12
Replaces ~~Fifth~~ Sixth Revised Sheet No. 12

UTILITY CONTROLLED GENERAL SERVICE (CLOSED)

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost ~~adjustment~~ Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be tendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable General Service rates.
3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meter and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to control customer's load. For large controlled loads, the customer's controlled load interrupting device may, with Company approval, be located inside the building adjacent to customer's main disconnects.
4. Customer's interruptible loads will be controlled by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by a governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 1 of 5

Section No. 3A
Seventh-Eighth Revised Sheet No. 13
Replaces Sixth-Seventh Revised Sheet No. 13

LARGE DEMAND CURTAILABLE SERVICE (LDC) - (CLOSED)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any General Service-Large customer's entire service requirements supplied at one point of delivery when the customer agrees to curtail a minimum designated load under the following conditions:

Minimum Prior Notification	Minimum Curtailment Length	Maximum Curtailment Length
None	6 hours	16 hours

Service is by Large Demand Curtailable Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared, or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILL

Rate

Capacity Charge

\$13.41 per kVA of Billing Capacity

Energy Charge

All usage at \$0.024790.0372 per kWh

(I)

Minimum

The Capacity Charge less Curtailable Load Credit.

CURTAILABLE LOAD CREDIT

The monthly bill shall be reduced for the excess, if any, that Billing Capacity exceeds Firm Service Capacity at \$ 7.217.24 per kVA.

(I)

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SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 2 of 5

Section No. 3A
Fifth Revised Sheet No. 14
Replaces Fourth Revised Sheet No. 14

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

PENALTY FOR NON-COMPLIANCE

If at any time a customer fails to curtail as requested by the Company, a penalty equal to five (5) times the Capacity Charge per kVA for the maximum difference in kVA that the maximum load during any curtailment period within the billing period exceeds the Firm Service Capacity. If more than one curtailment occurs during a billing period and the customer fully complies with at least one curtailment request and does not fully comply with at least one other curtailment request, the penalty for non-compliance will be reduced by multiplying it by the proportion of the total number of curtailments with which the customer failed to comply fully to the number of curtailments ordered.

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the billing period; or
- b. Eighty percent (80%) of the highest Billing Capacity in any of the preceding eleven (11) months; or
- c. The Firm Service Capacity.

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SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 3 of 5

Section No. 3A
Fifth Revised Sheet No. 15
Replaces Fourth Revised Sheet No. 15

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

FIRM SERVICE CAPACITY

The customer shall initially designate by Electric Service Agreement a Firm Service Capacity of at least 200 kVA less than: (a) the customer's maximum actual Billing Capacity during the twelve billing periods immediately preceding the election of this rate for existing customer, or (b) maximum estimated Billing Capacity during the twelve billing periods following the election of this rate for new customers.

The Customer shall agree to reduce electric demand to or below the Firm Service Capacity at or before the time specified by the Company in any notice of curtailment. The Customer shall further agree not to create demands in excess of Firm Service Capacity for the duration of each curtailment period. The customer may increase electric demand after the end of the curtailment period as specified by the Company.

SUBSTATION OWNERSHIP DISCOUNT

Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's most available 69 kV distribution facilities or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.30 per kVA of Billing Capacity for 69 kV distribution facilities and \$0.18 per kVA of Billing Capacity for primary distribution service.

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SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 4 of 5

Section No. 3A
~~Sixth~~ ~~Seventh~~ Revised Sheet No. 16
Replaces ~~Fifth~~ ~~Sixth~~ Revised Sheet No. 16

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than five (5) years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve (12) months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
3. Curtailment periods will typically be for a minimum of six consecutive hours with the duration and frequency to be at the discretion of the Company. Daily curtailments will not exceed 16 hours total and total curtailment in any calendar year will not exceed 400 hours.

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LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 5 of 5

Section No. 3A
Second Revised Sheet No. 17
Replaces First Revised Sheet No. 17

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

TERMS AND CONDITIONS (continued)

4. The Company at its option may terminate the Large Demand Curtailable Service Agreement if the Customer has demonstrated an inability to curtail its loads to the Firm Service Capacity when requested by the Company.
5. General Service – Large customers with Billing Capacities which are not large enough to provide 200 kVA of Curtailable load will be considered by the Company for LDC service on a case-by-case basis.
6. Curtailable service for Industrial Contract Service customers is available, however, the rates and conditions of service will be determined on a case-by-case basis and filed with the South Dakota Public Utilities Commission for review and approval.
7. Federal Medical facilities owning an emergency standby generator of 1,000 kVA or more may receive 100% curtailable LDC service with or without a contract under the provisions provided herein, except the Curtailable Load Credit shall be set at \$0.35 per kVA of the standby generator, but not in excess of the of the annual peak demand. The initial service term shall be one year, with a one year written notice of termination.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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SOUTH DAKOTA ELECTRIC RATE BOOK

SMALL INTERRUPTIBLE GENERAL SERVICE
RATE DESIGNATION - SIGS
Page 1 of 3

Section No. 3A
~~Fourth-Fifth~~ Revised Sheet No. 18
Replaces ~~Third-Fourth~~ Revised Sheet No. 18

SMALL INTERRUPTIBLE GENERAL SERVICE (CLOSED)

AVAILABLE

To customers installing electrical equipment that can be interrupted to reduce the Company's On-Peak demand, at points on the Company's existing secondary distribution lines supplied by its interconnected transmission system. The rate has been developed as part of the Company's Demand-Side Management strategy.

APPLICABLE

At the customer's election, to commercial customers with interruptible electric loads, provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4kW of Company approved permanently connected customer designated load which can be separately metered. Company approved loads include, but are not limited to, water heating, deferrable electric loads, and energy storage equipment. Small Interruptible General Service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Company interruptible, alternating current, 60 Hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer. Interruptions will occur when conditions exist that are conducive to a Company-wide system peak. No interruptions will occur during weekends or major holidays.

NET MONTHLY BILL

Rate

Customer Charge

~~\$40.75~~ 12.50 per month

(1)

Energy Charge

All usage at ~~\$0.0326~~ 0.05000 per kWh

(1)

Capacity Charge

~~\$0.765~~ 1.25 per kW of Billing Capacity

(1)

Minimum

The Customer Charge plus the minimum Capacity Charge.

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SOUTH DAKOTA ELECTRIC RATE BOOK

SMALL INTERRUPTIBLE GENERAL SERVICE
RATE DESIGNATION - SIGS
Page 2 of 3

Section No. 3A
~~Third-Fourth~~ Revised Sheet No. 19
Replaces ~~Second-Third~~ Revised Sheet No. 19

SMALL INTERRUPTIBLE GENERAL SERVICE (CLOSED)

BILLING CAPACITY

The customer's Billing Capacity will be the highest of the following:

- a. The customer's average kilowatt load during the fifteen-minute period of maximum use during the month; or
- b. The customer's highest Billing Capacity in any of the preceding eleven months; or
- c. 25 kW

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable General Service rates.

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SMALL INTERRUPTIBLE GENERAL SERVICE
RATE DESIGNATION - SIGS
Page 3 of 3

Section No. 3A
Second Revised Sheet No. 20
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SMALL INTERRUPTIBLE GENERAL SERVICE (CLOSED)

TERMS AND CONDITIONS (continued)

3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meter and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to interrupt customer's usage.
4. The customer's load interrupting device must be located outside adjacent to the Company's metering equipment, and must be wired on the line side of the main disconnect. The load interrupting device shall be capable of interrupting power when signals are received from the Company's control equipment.
5. Customer's interruptible loads will be interrupted by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year. Interruptions will occur when conditions exist which are conducive to a Company-wide system peak. No interruptions will occur during weekends and major holidays.
6. An associated firm service account is not necessary to be eligible for Small Interruptible General Service.
7. Service provided hereunder is applicable only for customer interruptible loads that are not backed up by generation located on the customer's electrical distribution system.
8. Tampering or altering the controls will result in forfeiture of service under Small Interruptible General Service. Service would revert to the rates and conditions described in General Service. Company also reserves the option to back bill the customer in accordance to the Company's Rules and Regulations defined in Section 703.3.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 46 (SD876)

SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 1 of 5

Section No. 3B

Fifth Revised Sheet No. 1
Replaces Fourth Revised Sheet No. 1

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

AVAILABLE

In all territory served by Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers who purchase from the Company all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

EMERGENCY POWER AND ENERGY

Emergency power and energy is that power and energy required by the customer to meet a temporary need due to an emergency breakdown of its generating facilities. Company shall supply emergency energy subject to the availability of such power and energy and further subject to the condition that such supply will not result in impairment of or serious jeopardy of service within the Company's system. Customer agrees to notify the Company by telephone as soon as possible when emergency conditions exist and when able to restore to normal service operations. In addition, customer will confirm notices in writing within 48 hours. Emergency power and energy is not available during period when the Company has requested that customer limit service to its Firm Contract Demand level unless customer is receiving emergency power and energy at the time of Company's request for customer to limit service to the Firm Contract Demand level.

Rate

8.17¢ per kWh

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SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 2 of 5

Section No. 3B

Fourth Revised Sheet No. 2
Replaces Third Revised Sheet No. 2

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

The kWh shall be determined by multiplying the contract demand for emergency energy (as set forth in customer's contract) by the total elapsed time of such emergency. In no event, however, shall the total kWh billed under this provision exceed the total kWh delivered for all purposes during the period of emergency.

MAINTENANCE POWER AND ENERGY

Maintenance power and energy is that power and energy requested by customer to meet a temporary need due to prearranged maintenance of its generating facilities. Maintenance power and energy shall be limited to a total of 60 days per contract year, and shall be scheduled by mutual agreement between customer and Company. If customer desires maintenance power and energy, customer shall advise Company of the maximum kW required, probable load factor, period required, and estimate of hourly amounts. The quantity once agreed upon shall not be subject to adjustments during said period, except by mutual agreement.

Rate

Daily charge of 24.00¢ per maximum kW agreed to plus 2.92¢ per kWh provided.

FIRM AND INTERRUPTIBLE POWER AND ENERGY

Firm and interruptible power and energy is a block of power and accompanying energy which customer purchases from the Company, and which is not supplied as emergency or maintenance service.

Monthly Rate

Customer Charge

\$10.00 per month

Interconnection Facilities Charge

As set forth in customer's contract.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 3 of 5

Section No. 3B

Fourth Revised Sheet No. 3
Replaces Third Revised Sheet No. 3

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

Demand Charge

\$10.50 per kW of Firm Contract Demand
\$ 5.25 per kW of Interruptible Demand

Energy Charge

All usage at 2.92¢ per kWh

FIRM CONTRACT DEMAND

The Firm Contract Demand, in kW, shall be completed in accordance with customer's contract.

DETERMINATION OF INTERRUPTIBLE DEMAND

Interruptible Demand shall be the maximum average load during any fifteen-minute period of use during the month as measured by the Company's meter in excess of Firm Contract Demand, scheduled maintenance and qualifying emergency service during the respective fifteen-minute period. During periods when the generation output from the qualifying facility does not exceed the minimum accredited output all as specified in the contract, any demand which would otherwise be Interruptible Demand shall be subject to the Firm Contract Demand Charge.

PENALTY FOR FAILURE TO CURTAIL

The Company in its sole discretion may curtail Interruptible service hereunder upon 15 minutes notice to the customer by telephone. In the event customer fails to limit service upon 15 minutes notice from the Company, customer shall pay in addition to all other charges hereunder a penalty of \$30 per kW. Such penalty shall be applied once during each curtailment period in each billing month the Company has requested customer to curtail Interruptible service and shall be computed by multiplying \$30 times the maximum Interruptible Demand during the curtailment period. A curtailment period begins 15 minutes after Company notified customer by telephone to curtail Interruptible service and ends upon subsequent telephone notification by Company.

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SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 4 of 5

Section No. 3B

Fourth Revised Sheet No. 4
Replaces Third Revised Sheet No. 4

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

GENERATION CREDIT

Company shall purchase all output from customer's own generation which is in excess of customer's simultaneous load and which is delivered to the Company's distribution system. The total generation credit will be netted against other charges to customer on each monthly bill.

Rate

3.32¢ per kWh of cogeneration delivered

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

- 1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- 2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect the Company's system.
- 3) The customer shall arrange the electric service wiring to allow the Company to meter (a) the customer's load requirements which are in excess of the simultaneous output from their own generation, and (b) the customer's output which is delivered to the Company. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.

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SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
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Section No. 3B

~~Fifth~~ ~~Sixth~~ Revised Sheet No. 5
Replaces ~~Fourth~~ ~~Fifth~~ Revised Sheet No. 5

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by a governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

Date Filed: ~~January 25, 2011~~
~~March 31, 2014~~
Docket: EL14-

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~June 1, 2011~~
October 1, 2014



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 2
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE
RATE DESIGNATION - SP-SCHED 2
Page 1 of 3

Section No. 3B

Fourth Revised Sheet No. 6
Replaces Third Revised Sheet No. 6

SCHEDULE 2
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE

AVAILABLE

In all territory served by Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers who purchase their entire electric load requirements from the Company and sell the entire output from their own generation to the Company. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

ELECTRIC LOAD REQUIREMENT PURCHASES

The customer shall purchase all electric service requirements under the applicable regularly filed and published retail rate schedules of the Company.

COGENERATION SALES TO THE COMPANY

The Company shall purchase all energy generated by customer each month.

Rate

3.32¢ per kWh of cogeneration.

INTERCONNECTION FACILITIES CHARGE

As set forth in customer's contract.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 2
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE
RATE DESIGNATION - SP-SCHED 2
Page 2 of 3

Section No. 3B

Fourth Revised Sheet No. 7
Replaces Third Revised Sheet No. 7

SCHEDULE 2
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE

MONTHLY BILLING

Monthly bills will be issued by the Company. Each bill will show: (1) the total amount due from the customer for service under each applicable rate schedule; (2) the total amount due from the Company for purchase of all cogeneration energy; (3) the amount due from the customer for the Interconnection Facilities Charge; and (4) the net amount due from either party.

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

- 1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- 2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.
- 3) The customer shall arrange the electric service wiring to allow the Company to meter the customer's total electric load requirements and total output from their own generation through separate and distinct meters. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.
- 4) Except for the metering, the customer shall own and maintain all facilities on the customer's side of a single point of delivery as specified by Company. The customer's system, including interconnecting equipment, shall meet the requirements of and be inspected and approved by state electrical inspectors and any other public authority having jurisdiction before any connection is made to Company.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 2
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE
RATE DESIGNATION - SP-SCHED 2
Page 3 of 3

Section No. 3B

Fifth-Sixth Revised Sheet No. 8
Replaces Fourth-Fifth Revised Sheet No. 8

SCHEDULE 2
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment-~~Adjustment~~ tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

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March 31, 2014
Docket: EL14-

By: Chris Killpatrick
Director of Rates

Effective Date: ~~June 1, 2011~~
October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 4610 and 44 (SD875)
Rate Code 12 and 44 (SD876)
Rate Code 16 and 44 (SD887)
Rate Code 20 and 44 (SD878)

SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 3
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS POWER
RATE DESIGNATION SP-SCHED 3
Page 1 of 2

Section No. 3B

Fourth Revised Sheet No. 9
Replaces Third Revised Sheet No. 9

SCHEDULE 3 **COGENERATION AND SMALL POWER PRODUCTION SERVICE** **SIMULTANEOUS POWER**

AVAILABLE

In all territory served by the Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers taking service under any other rate schedule of the Company for all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

GENERATION CREDIT

Company shall purchase all output from customer's own generation which is in excess of customer's simultaneous load and which is delivered to the Company's distribution system. The total generation credit will be netted against other charges to customer on each monthly bill.

Rate

3.32¢ per kWh of cogeneration delivered

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

Date Filed: ~~September 30, 2009~~
March 31, 2014
Docket: ~~EL09-048EL14-~~

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~April 1, 2010~~
October 1, 2014

004033



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 4610 and 44 (SD875)
Rate Code 12 and 44 (SD876)
Rate Code 16 and 44 (SD887)
Rate Code 20 and 44 (SD878)

SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 3
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS POWER
RATE DESIGNATION SP-SCHED 3
Page 2 of 2

Section No. 3B

Fourth Revised Sheet No. 10
Replaces Third Revised Sheet No. 10

SCHEDULE 3 **COGENERATION AND SMALL POWER PRODUCTION SERVICE** **SIMULTANEOUS POWER**

- 1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- 2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.
- 3) The customer shall arrange the electric service wiring to allow the Company to meter (a) the customer's load requirements which are in excess of the simultaneous output from their own generation, and (b) the customer's output which is delivered to the Company. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

Date Filed: ~~September 30, 2009~~
March 31, 2014
Docket: ~~EL09-018EL14-~~

By: Chris Kilpatrick
Director of Rates

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October 1, 2014

004034



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Seventh Revised Sheet No. 1

Page 1 of 4

Cancels Sixth Revised Sheet No. 1

FUEL AND PURCHASED POWER ADJUSTMENT

(T)

APPLICABLE

(N)

This Fuel and Purchased Power Adjustment (FPPA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The FPPA shall be calculated annually based on actual system costs for Fuel and Purchased Power (FPP) for the twelve months of April through March as compared to the base year FPP costs, and shall include an over-or-under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a FPPA filing with the Commission on an annual basis no later than May 10th. The FPPA, as shown below, will be effective beginning June 16, 2013.

<u>FUEL AND PURCHASED POWER ADJUSTMENT CALCULATION</u>		For the Twelve months ended March 31, 2014
1.	Annual System FPP Costs	\$ _____
2.	Annual System Energy Sales	_____ kWh
3.	FPP Cost / kWh (Line 1 ÷ Line 2)	\$ _____ /kWh
4.	Approved Base FPP Costs	\$ <u>0.0146</u> /kWh
5.	FPP Cost / kWh Difference (Line 3 – Line 4)	\$ _____ /kWh
6.	Total FPP Change from Base (Line 2 x Line 5)	\$ _____
7.	South Dakota Annual Retail Energy Sales	_____ kWh
8.	Total SD (Refund)/Charge (Line 5 x Line 7)	\$ _____
9.	SD Balancing Account (+/-)	\$ _____
10.	Rate Case True-up Items	\$ <u>(217,097)</u>
11.	Net SD Amount to (Refund)/Charge (Line 8 + Line 9 + Line 10)	\$ _____
12.	Projected South Dakota Retail Energy Sales	_____ kWh
13.	SD FPPA (Line 11 + Line 12)	\$ _____ /kWh



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 2

Page 2 of 4

Cancels Second Revised Sheet No. 2

(T)

FUEL AND PURCHASED POWER ADJUSTMENT

(N)

ANNUAL SYSTEM FUEL AND PURCHASED POWER (FPP) COSTS (Line 1)

FPP Costs include all purchased power; fuel consumed for plant generation, including but not limited to coal, fuel oil and natural gas; plus costs for certain re-agents used in conjunction with fuel consumed for plant generation; less costs associated with Power Marketing; and a sharing of Power Marketing Operating Income. The Annual System FPP Costs shall be calculated on an annual basis using the total of:

- a. Total fuel costs of the Company's generation for items listed in the Federal Energy Regulatory Commission's (FERC) Accounts: 501 for Fuel and 547 for Other Power Production, as well as any other costs of fuel consumed to generate electricity not listed in these two accounts. The base price for coal, included in this cost, is determined in accordance with the methodology set forth in the Statement R of the Company's 2005 rate application Docket Number EL06-019;
- b. The costs of re-agents necessary to use in conjunction with fuel consumed for plant generation. This includes lime and the associated freight, ammonia and other chemicals.
- c. The costs of all energy purchases listed under FERC account 555;
- d. Less, Ninety percent (90%) of the share of margin generated by the sale of Renewable Energy Credits;
- e. Less, FPP used for Power Marketing Sales; and
- f. Less a share of Power Marketing Operating Income as described below.

POWER MARKETING OPERATING INCOME (PMOI)

As an incentive to provide the lowest cost FPP to customers, Power Marketing revenues and expenses will be included in the Fuel and Purchase Power Adjustment clause as follows:

- a. Power Marketing Sales revenues are defined as short-term (generally less than one year) energy sales to wholesale customers and sales of emission allowances.
- b. The Company's long-term (generally more than one year) customer obligations will be served with the lowest cost resources during each hour that the Company engages in Power Marketing Sales except for the following: 1) Any renewable resource energy; and 2) Specific energy blocks, up to 75MW, purchased to cover energy needs for 3 weeks or more. For these two situations, the cost of energy shall be directly assigned to the Company's long-term customers. Any remaining resources may be scheduled for, and if scheduled will be charged to, Power Marketing Sales as the costs of goods sold.
- c. Fifty percent (50%) of the base salary and benefit costs of the Company's generation dispatch and power marketing personnel shall be included as a power marketing expense



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 3

Cancels Second Revised Sheet No. 3

Page 3 of 4

(T)
(N)

FUEL AND PURCHASED POWER ADJUSTMENT

POWER MARKETING OPERATING INCOME (Continued)

- d. Any transmission expense incurred to facilitate Power Marketing Sales shall be included as an expense.
- e. Bonuses payable to the Company's generation dispatch and power marketing personnel as a result of Power Marketing Sales shall be included as an expense.
- f. Any specifically identified expenses associated with Power Marketing Sales, such as legal expense or bad debt expense, shall be included as an expense.

SHARING OF POWER MARKETING OPERATING INCOME

The calculated Pre-Tax PMOI will be multiplied by 65% to determine the amount of the credit to be applied as a credit to the FPP costs.

The Power Marketing Operating Income Credit shall not be less than \$2,000,000.

ANNUAL SYSTEM ENERGY SALES (Line 2)

Annual System Energy Sales are the total kilowatt hours associated with the FERC accounts for Sales of Electricity by Rate Schedules and Sales for Resale, less Power Marketing Sales.

BASE FPP COSTS (Line 4)

The Base FPP Costs are as approved by the Commission in Docket EL09-018.

SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES (Line 7)

The South Dakota Annual Retail Energy Sales are the total South Dakota retail energy kilowatt hour sales for the previous period for all classes of service authorized by the Commission.

SD BALANCING ACCOUNT (Line 9)

This Balancing Account amount on Line 9 (positive or negative) is the Line 10 amount from the previous filing (SD Net Amount to (Refund)/Charge) less the actual FPPA amount (Refunded) or Charged for the period, adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The FPPA (Refund)/Charge will be applied monthly to the Balancing Account, first to the interest balance, and thereafter to the principal amount.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 4

Page 4 of 4

Cancels Second Revised Sheet No. 4

(T)

FUEL AND PURCHASED POWER ADJUSTMENT

(N)

RATE CASE TRUE-UP ITEMS (Line 10)

The Rate Case True-up Items adjustment includes items that need to be charged or (refunded) to customers as a result of rate case items to be handled outside of the general rate case. These items are handled in the time period required per the outcome of each case. The total dollar amount may reflect items from various cases.

NET SD AMOUNT TO (REFUND)/CHARGE (Line 11)

The net amount to refund or charge customers is the South Dakota's share of the total Net FPP costs adjusted by the Balancing Account (Line 8 + Line 9 + Line 10).

PROJECTED SOUTH DAKOTA RETAIL ENERGY SALES (Line 12)

These are the kilowatt hours of retail sales projected for the State of South Dakota for the period that the FPPA (Line 12) will be in effect.

SD FUEL AND PURCHASED POWER ADJUSTMENT (Line 13)

The FPPA on Line 12 shall be included in the Company's annual Energy Cost Adjustment and shall be applied to all rate schedules in all classes of service authorized by the Commission.

EFFECTIVE DATE

The FPPA will be updated and filed annually with the effective date of June 1st.



SOUTH DAKOTA ELECTRIC RATE BOOK

PHASE IN PLAN RATE

Section No. 3C

Page 1 of 1

~~Tenth-Eleventh Revised Sheet No. 5~~
Cancels ~~Ninth-Tenth Revised Sheet No. 5~~

PHASE IN PLAN RATE

APPLICABLE

The Phase In Plan Rate (PIPR) applies to all rate schedules for all classes of service authorized by the Commission.

The PIPR shall be calculated based on forecasted calculated revenue requirements as outlined in Docket No. EL12-062 and forecasted kWh and kW/kVA billing by customer class, as described below, and shall include an over-or-under recovery through the Balancing Account, including a true up component. (T)

PHASE IN PLAN RATE

The PIPR shall be determined by allocating the revenue requirement by the Customer Class Allocators listed on Table 1, Section No. 3C, Tariff Sheet No. 16. The net revenue requirement shall include an over or under recovery from prior adjustments through the Balancing Account. The PIPR revenue requirement for each customer class shall be divided by the forecasted kWh or kW/kVA billing by customer class for the timeframe PIPR is being calculated. The PIPR rate shall be rounded to the nearest \$0.00001 per kWh or \$0.01 per kW/kVA. (T)
(T)

The PIPR rate may be adjusted with approval of the Commission. The PIPR Rate is as follows:

Residential Service:	\$0.003220.00 / kWh	(D)
General Service Small:	\$1.143550.00 /kW	(D)
General Service Large:	\$1.399440.00 /kWkVA	(D)(T)
Industrial Contract Service:	\$1.422430.00 /kWkVA	(D)(T)
Lighting Service:	\$0.003670.00 /kWh	(D)

PIPR Balancing Account amount is the difference between 1) the actual PIPR Revenue Requirement by customer class and 2) the actual amount recovered by customer class in the respective timeframe through the PIPR. The true up component consists of forecasted costs being trued up to actual costs; any variance will flow through the Balancing Account. The Balancing Account amount shall have interest applied or credited monthly at the annual rate of seven percent (7%).

Forecasted Retail Billing Volumes shall be the estimated total retail electric billing kWh for the designated recovery period for the Residential and Lighting customers, effective November 1, 2013. The Small General Service, Large General Service and the Industrial Contract Service customer classes, effective November 1, 2013, shall be the total retail electric billing kW/kVA for the designated recovery period. (T)
(T)

EFFECTIVE DATE

The PIPR shall be effective for rates on and after April 1, 2013-and updated on a regular basis. Each PIPR compliance filing shall be made no later than 30 days prior to the requested effective date for Commission review and audit. Rates are effective on an interim basis and are subject to refund should the Commission find issue with the rate calculation under this tariff. The rates are subject to true-up and are further subject to the Commission's right to perform an annual review and to adjust the PIPR as a result of that annual review. (T)

Date Filed: ~~December 20, 2013~~
March 31, 2014
Docket: EL12-06214-

By: Chris Kilpatrick
Director of Rates

Effective Date: February 1, 2014
October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Sixth Revised Sheet No. 5A
Cancels Fifth Revised Sheet No. 5A

(Reserved)

(T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Fourth Revised Sheet No. 6
Cancels Third Revised Sheet No. 6

(Reserved)

(T)

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Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Fourth Revised Sheet No. 7
Cancels Third Revised Sheet No. 7

(Reserved)

(T)

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004042



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Seventh Revised Sheet No. 8
Cancels Sixth Revised Sheet No. 8

(Reserved)

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004043



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Third Revised Sheet No. 9
Cancels Second Revised Sheet No. 9

(Reserved)

(T)

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004044



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Third Revised Sheet No. 10
Cancels Second Revised Sheet No. 10

(Reserved)

(T)

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004045



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

COST ADJUSTMENT SUMMARY

Section No. 3C

~~Eleventh~~-Twelfth Revised Sheet No. 11

Page 1 of 1

~~Cancels Tenth-Eleventh~~ Revised Sheet No. 11

COST ADJUSTMENT SUMMARY

Rate Schedule	Base Costs ¹	ECA ²	EIA ³	EESA ⁴	TFA ⁵	Total Rate (\$/kWh)
Residential Services	\$0.0227	\$0.00352	\$0.0005	\$0.0004	\$0.0000	\$0.02712
Small General Service	\$0.0227	\$0.00402	\$0.0005	\$0.0002	\$0.0000	\$0.02742
Large General Service	\$0.0227	\$0.00362	\$0.0003	\$0.0002	\$0.0000	\$0.02682
Industrial Contract Service	\$0.0227	\$0.00302	\$0.0003	\$0.0002	\$0.0000	\$0.02622
Lighting Service	\$0.0227	\$0.00362	\$0.0002	\$0.0002	\$0.0000	\$0.02672

¹Base Costs are comprised of:

Base FPP Costs of \$0.0146/kWh as approved by the South Dakota Public Utilities Commission (the Commission) in Docket EL09-018; prior to June 16, 2013 the Base FPP Costs were recovered through base rates

Base Transmission Costs of \$0.0081 as approved by the Commission in Docket EL09-018; prior to June 16, 2013 the Base Transmission Costs were recovered through base rates

²Energy Cost Adjustments (ECA) is comprised of:

Fuel and Purchased Power Adjustment (FPPA) Sheet No. 12
(Effective ~~June 16, 2013~~ October 1, 2014)

Transmission Cost Adjustment (TCA) – Sheet No. 17
Fuel and Purchase Power Adjustment (FPPA) Sheet No. 1
(Effective June 16, 2013)

(T)

³Environmental Improvement Adjustment (EIA) – Sheet No. 20

⁴Energy Efficiency Solutions Adjustments (EESA) Sheet No. 21

⁵Transmission Facility Adjustment (TFA) Sheet No. 22

Date Filed: ~~December 17, 2012~~
March 31, 2014
Docket: EL12-0614-

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013
October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Page 1 of 4

Fourth ~~Fourth~~ Revised Sheet No. 12

Cancel ~~Third-Fourth~~ Revised Sheet No. 12

FUEL AND PURCHASED POWER ADJUSTMENT

APPLICABLE

(C)

This Fuel and Purchased Power Adjustment (FPPA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The FPPA shall be calculated annually based on actual system costs for Fuel and Purchased Power (FPP) for the twelve months of April through March as compared to the base year FPP costs, and shall include an over-or-under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a FPPA filing with the Commission on an annual basis no later than May 10th.

FUEL AND PURCHASED POWER ADJUSTMENT CALCULATION For the Twelve months ended March 31, 2013

1.	Annual System FPP Costs	\$	33,425,580	(R)
2.	Annual System Energy Sales		2,061,639,885	kWh (I)
3.	FPP Cost /kWh (Line 1 ÷ Line 2)	\$	0.0162	/kWh (R)
4.	Approved Base FPP Costs	\$	0.0146	/kWh
5.	FPP Cost /kWh Difference (Line 3 — Line 4)	\$	0.0016	/kWh (R)
6.	Total FPP Change from Base (Line 2 x Line 5)	\$	3,298,624	(R)
7.	South Dakota Annual Retail Energy Sales		1,488,492,737	kWh (I)
8.	Total SD (Refund) / Charge (Line 5 x Line 7)	\$	2,381,588	(R)
9.	SD Balancing Account (+/-)	\$	344,669	(I)
10.	Rate Case True-up Items	\$	(506,531)	(N)
11.	SD Surplus Energy Phase-out	\$	500,000	(I)
12.	Net SD Amount to (Refund)/Charge (Line 8 + Line 9 + Line 10 + Line 11)	\$	2,719,726	(R)
13.	Projected South Dakota Retail Energy Sales		1,404,702,736	kWh (R)
14.	SD FPPA (Line 12 ÷ Line 13)	\$	0.0018	/kWh (R)

Date Filed: ~~September 6, 2013~~
March 31, 2014
Docket: EL14-0614-

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~October 1, 2013~~
October 1, 2014

004047



Black Hills Power, Inc.
Rapid City, South Dakota

APPLICABLE

(N)

This Fuel and Purchased Power Adjustment (FPPA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The FPPA shall be calculated annually based on actual system costs for Fuel and Purchased Power (FPP) for the twelve months of April through March as compared to the base year FPP costs, and shall include an over-or-under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a FPPA filing with the Commission on an annual basis no later than May 10th.

FUEL AND PURCHASED POWER ADJUSTMENT CALCULATION		For the Twelve months ended	
1.	Annual System FPP Costs	\$	
2.	Annual Retail Energy Sales		kWh
3.	FPP Cost / kWh (Line 1 ÷ Line 2)	\$	/kWh
4.	Approved Base FPP Costs	\$	0.0146 /kWh
5.	FPP Cost / kWh Difference (Line 3 – Line 4)	\$	/kWh
6.	Total FPP Change from Base (Line 2 x Line 5)	\$	
7.	South Dakota Annual Retail Energy Sales		kWh
8.	Total SD (Refund)/Charge (Line 5 x Line 7)	\$	
9.	SD Balancing Account (+/-)	\$	
10.	Incremental SD Jurisdictional Costs	\$	
11.	Rate Case True-up Items	\$	
12.	Net SD Amount to (Refund)/Charge (Line 8 through Line 11)	\$	
13.	Projected South Dakota Retail Energy Sales		kWh
14.	SD FPPA (Line 12 ÷ Line 13)	\$	/kWh

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March 31, 2014
Docket: EL12-06414-

By: Chris Kilpatrick
Director of Rates

Effective Date: ~~October 1, 2013~~
October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Original-First Revised Sheet No. 13

Cancels Original Sheet No. 13

Page 2 of 4

FUEL AND PURCHASED POWER ADJUSTMENT

(C)

ANNUAL SYSTEM FUEL AND PURCHASED POWER (FPP) COSTS (Line 1)

FPP Costs include all purchased power; fuel consumed for plant generation, including but not limited to coal, fuel oil and natural gas; less costs associated with Power Marketing; and a sharing of Power Marketing Operating Income. The Annual System FPP Costs shall be calculated on an annual basis using the total of:

- g. Total fuel costs of the Company's generation for items listed in the Federal Energy Regulatory Commission's (FERC) Accounts: 501 for Fuel and 547 for Other Power Production, as well as any other costs of fuel consumed to generate electricity not listed in these two accounts. The base price for coal, included in this cost, is determined in accordance with the methodology set forth in the Statement R of the Company's 2005 rate application Docket Number EL06-010;
- h. The costs of all energy purchases listed under FERC account 555;
- i. Less, Ninety percent (90%) of the share of margin generated by the sale of Renewable Energy Credits;
- j. Less, FPP used for Power Marketing Sales; and
- k. Less a share of Power Marketing Operating Income as described below.

POWER MARKETING OPERATING INCOME (PMOI)

As an incentive to provide the lowest cost FPP to customers, Power Marketing revenues and expenses will be included in the Fuel and Purchase Power Adjustment clause as follows:

- a. Power Marketing Sales revenues are defined as short-term (generally less than one year) energy sales to wholesale customers and sales of emission allowances.
- b. The Company's long-term (generally more than one year) customer obligations will be served with the lowest cost resources during each hour that the Company engages in Power Marketing Sales except for the following: 1) Any renewable resource energy; and 2) Specific energy blocks, up to 75MW, purchased to cover energy needs for 3 weeks or more. For these two situations, the cost of energy shall be directly assigned to the Company's long-term customers. Any remaining resources may be scheduled for, and if scheduled will be charged to, Power Marketing Sales as the costs of goods sold.
- c. Fifty percent (50%) of the base salary and benefit costs of the Company's generation dispatch and power marketing personnel shall be included as a power marketing expense.
- d. Any transmission expense incurred to facilitate Power Marketing Sales shall be included as an expense.

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March 31, 2014

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October 1, 2014

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Black Hills Power, Inc.
Rapid City, South Dakota

ANNUAL SYSTEM FUEL AND PURCHASED POWER (FPP) COSTS (Line 1)

(N)

FPP Costs include all purchased power; fuel consumed for plant generation, including but not limited to coal, fuel oil and natural gas; plus costs for certain re-agents used in conjunction with fuel consumed for plant generation less costs associated with Power Marketing; and a sharing of Power Marketing Operating Income. The Annual System FPP Costs shall be calculated on an annual basis using the total of:

- a. Total fuel costs of the Company's generation for items listed in the Federal Energy Regulatory Commission's (FERC) Accounts: 501 for Fuel and 547 for Other Power Production, as well as any other costs of fuel consumed to generate electricity not listed in these two accounts. The base price for coal, included in this cost, is determined in accordance with the methodology set forth in the Statement R of the Company's 2006 rate application Docket No. EL06-019;
- b. The costs of re-agents necessary to use in conjunction with fuel consumed for plant generation. This includes lime and the associated freight, ammonia and other chemicals.
- c. The costs of all energy or short term capacity purchases listed under FERC account 555;
- d. Less, Ninety percent (90%) of the share of margin generated by the sale of Renewable Energy Credits;
- e. Less, FPP used for Power Marketing Sales; and
- f. Less a share of Power Marketing Operating Income as described below.

POWER MARKETING OPERATING INCOME (PMOI)

As an incentive to provide the lowest cost FPP to customers, Power Marketing revenues and expenses will be included in the Fuel and Purchase Power Adjustment clause as follows:

- a. Power Marketing Sales revenues are defined as short-term (generally less than one year) energy or capacity sales to wholesale customers and sales of emission allowances.
- b. The Company's long-term (generally one year or longer) customer obligations will be served with the lowest cost resources during each hour that the Company engages in Power Marketing Sales except for the following: 1) Any renewable resource energy; and 2) Specific energy or capacity blocks, up to 75MW, purchased to cover capacity needs for 3 weeks or more [but not to exceed 6 months] in length. For these two situations, the cost of capacity or energy shall be directly assigned to the Company's long-term customers. Any remaining resources may be scheduled for, and if scheduled will be charged to, Power Marketing Sales as the costs of goods sold.
- c. Fifty percent (50%) of the base salary and benefit costs of the Company's generation dispatch and power marketing personnel shall be included as a power marketing expense

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

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First-Second Revised Sheet No. 14
Cancels Original-First Revised Sheet No. 14

FUEL AND PURCHASED POWER ADJUSTMENT

POWER-MARKETING OPERATING INCOME (Continued)

(C)

- e. ~~Bonuses payable to the Company's generation dispatch and power marketing personnel as a result of Power Marketing Sales shall be included as an expense.~~
- f. ~~Any specifically identified expenses associated with Power Marketing Sales, such as legal expense or bad debt expense, shall be included as an expense.~~

SHARING OF POWER-MARKETING OPERATING INCOME

~~The calculated Pre-Tax PMOI will be multiplied by 65% to determine the amount of the credit to be applied as a credit to the FPP costs.~~

~~The Power Marketing Operating Income Credit shall not be less than \$2,000,000.~~

ANNUAL SYSTEM ENERGY SALES (Line 2)

~~Annual System Energy Sales are the total kilowatt hours associated with the FERC accounts for Sales of Electricity by Rate Schedules and Sales for Resale, less Power Marketing Sales.~~

BASE FPP COSTS (Line 4)

~~The Base FPP Costs are as approved by the Commission in Docket EL09-018.~~

SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES (Line 7)

~~The South Dakota Annual Retail Energy Sales are the total South Dakota retail energy kilowatt hour sales for the previous period for all classes of service authorized by the Commission.~~

SD-BALANCING ACCOUNT (Line 9)

~~This Balancing Account amount on Line 9 (positive or negative) is the Line 10 amount from the previous filing (SD Net Amount to (Refund)/Charge) less the actual FPPA amount (Refunded) or Charged for the period, adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The FPPA (Refund)/Charge will be applied monthly to the Balancing Account, first to the interest balance, and thereafter to the principal amount.~~

RATE CASE TRUE-UP ITEMS (Line 10)

~~The Rate Case True-up Items adjustment includes items that need to be charged or (refunded) to customers as a result of rate case items to be handled outside of the general rate case. These items are handled in the time period required per the outcome of each case. The total dollar amount may reflect items from various cases.~~

Date Filed: ~~September 6, 2013~~
March 31, 2014
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By: Chris Kilpatrick
Director of Rates

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Black Hills Power, Inc.
Rapid City, South Dakota

POWER MARKETING OPERATING INCOME (Continued)

(N)

- d. Any transmission expense incurred to facilitate Power Marketing Sales shall be included as an expense.
- e. Bonuses payable to the Company's generation dispatch and power marketing personnel as a result of Power Marketing Sales shall be included as an expense.
- f. Any specifically identified expenses associated with Power Marketing Sales, such as legal expense or bad debt expense, shall be included as an expense.

SHARING OF POWER MARKETING OPERATING INCOME

The calculated Pre-Tax PMOI will be multiplied by 65% to determine the amount of the credit to be applied as a reduction to the FPP costs.

ANNUAL RETAIL ENERGY SALES (Line 2)

Annual Retail Energy Sales are the total sales of Electricity, for retail customers.

BASE FPP COSTS (Line 4)

The Base FPP Costs are as approved by the Commission in Docket No. EL09-018.

SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES (Line 7)

The South Dakota Annual Retail Energy Sales are the total South Dakota retail energy kilowatt hour sales for the previous period for all classes of service authorized by the Commission.

SD BALANCING ACCOUNT (Line 9)

This Balancing Account amount on Line 9 (positive or negative) is the amount from the previous filing (SD Net Amount to (Refund)/Charge) less the actual FPPA amount (Refunded) or Charged for the period, adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The FPPA (Refund)/Charge will be applied monthly to the Balancing Account, first to the interest balance, and thereafter to the principal amount.

INCREMENTAL SD JURISDICTIONAL COSTS (Line 10)

These costs represent the difference of the actual ad valorem and wholesale contract revenue as compared to the amount in base rates as approved in Docket No. EL14- , Statement P, page 1, lines 19 and 27.

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Director of Rates

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

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First ~~Second~~ Revised Sheet No. 15
Cancels Original ~~First~~ Revised Sheet No. 15

FUEL AND PURCHASED POWER ADJUSTMENT

SD SURPLUS ENERGY PHASE-OUT (Line 11)

(C)

The determination of South Dakota Base Rates included a Surplus Energy Credit which is phased-out as follows:

- For the twelve month period April 2010 through March 2011 the amount will be \$0
- For the twelve month period April 2011 through March 2012 the amount will be \$250,000
- For the twelve month period April 2012 through March 2013 the amount will be \$500,000
- All periods after March 2013, the phase-out amount will be \$2,500,000

NET SD AMOUNT TO (REFUND)/CHARGE (Line 12)

The net amount to refund or charge customers is the South Dakota's share of the total Net FPP costs adjusted by the Balancing Account and the SD Surplus Energy Phase-out (Line 8 + Line 9 + Line 10 + Line 11).

PROJECTED SOUTH DAKOTA RETAIL ENERGY SALES (Line 13)

These are the kilowatt hours of retail sales projected for the State of South Dakota for the period that the FPPA (Line 13) will be in effect.

SD FUEL AND PURCHASED POWER ADJUSTMENT (Line 14)

The FPPA on Line 13 shall be included in the Company's annual Energy Cost Adjustment and shall be applied to all rate schedules in all classes of service authorized by the Commission.

EFFECTIVE DATE

The FPPA will be updated and filed annually with the effective date of June 1st.

RATE CASE TRUE-UP ITEMS (Line 11)

(N)

The Rate Case True-up Items adjustment includes items that need to be charged or (refunded) to customers as a result of rate case items to be handled outside of the general rate case. These items are handled in the time period required per the outcome of each case. The total dollar amount may reflect items from various cases.

NET SD AMOUNT TO (REFUND)/CHARGE (Line 12)

The net amount to refund or charge customers is the South Dakota's share of the total Net FPP costs adjusted by the Balancing Account (Line 8 through Line 11).

PROJECTED SOUTH DAKOTA RETAIL ENERGY SALES (Line 13)

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Docket: EL12-06114-

By: Chris Kilpatrick
Director of Rates

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October 1, 2014



Black Hills Power, Inc.
Rapid City, South Dakota

These are the kilowatt hours of retail sales projected for the State of South Dakota for the period that the FPPA (Line 14) will be in effect.

(N)

SD FUEL AND PURCHASED POWER ADJUSTMENT (Line 14)

The FPPA on Line 14 shall be included in the Company's annual Energy Cost Adjustment and shall be applied to all rate schedules in all classes of service authorized by the Commission.

EFFECTIVE DATE

The FPPA will be updated and filed annually with the effective date of June 1st.

Date Filed: ~~September 6, 2013~~
March 31, 2014
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By: Chris Kilpatrick
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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 16

Page 1 of 4

Cancels Second Revised Sheet No. 16

TRANSMISSION COST ADJUSTMENT

APPLICABLE

This Transmission Cost Adjustment (TCA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission). The TCA shall be calculated annually based on actual system transmission costs for the twelve months April through March as compared to the base year transmission costs, and shall include an over-or-under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a TCA filing with the Commission on an annual basis no later than May 10th.

TRANSMISSION COST ADJUSTMENT CALCULATION

For the Twelve months
ended March 31, 2013

(T)

1.	Annual System Transmission Costs	\$	19,461,269	(R)
2.	Power Marketing Transmission Costs	\$	1,295,179	(R)
3.	Transmission Costs Reimbursed by Others	\$	1,412,210	(I)
4.	Net Transmission Costs (Line 1 – Line 2 – Line 3)	\$	16,753,880	(R)
5.	Annual Retail Energy Sales		1,706,867,885	kWh (I)
6.	Adjusted Transmission Costs (Line 4 + Line 5)	\$	0.0098	/kWh (R)
7.	Base Transmission Costs	\$	0.0081	/kWh
8.	Difference (Line 6 – Line 7)	\$	0.0017	/kWh (R)
9.	South Dakota Annual Year Retail Energy Sales		1,488,492,737	kWh (I)
10.	Transmission Costs to South Dakota (Line 8 x Line 9)	\$	2,530,438	(R)
11.	For Each Customer Class Calculate the Customer Class Allocation of Total South Dakota Transmission Expense Based Upon Class Allocators in Table 1 – Multiply Each Class Allocator by Line 10			

	Customer Class Allocation Factor	Allocated Amount	
Residential Service	34.00%	\$860,349	(R)
Small General Service	34.33%	\$868,699	(R)
Large General Service	20.73%	\$524,560	(R)
Industrial Contract Service	9.97%	\$252,285	(R)
Lighting Service	0.97%	\$ 24,545	(R)

Date Filed: April 30, 2013

By: Chris Kilpatrick
Director of Resource Planning and
Rates

Effective Date: June 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 17

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Cancels Second Revised Sheet No. 17

TRANSMISSION COST ADJUSTMENT

12.	Balancing Account (+/-) for each South Dakota Customer Class	\$ <u>145,938</u>	(R)
	Residential Service	\$ 49,619	
	Small General Service	\$ 50,101	
	Large General Service	\$ 30,253	
	Industrial Contract Service	\$ 14,550	
	Lighting Service	\$ 1,416	
13.	Total Transmission Cost for each South Dakota Customer Class (Refund)/Charge (Line 11 + Line 12)		
	Residential Service	\$ 909,968	
	Small General Service	\$ 918,800	
	Large General Service	\$ 554,813	
	Industrial Contract Service	\$ 266,835	
	Lighting Service	\$ 25,961	
14.	Forecast South Dakota Customer Class Annual Retail Energy Sales (kWh/Class)		
	Residential Service	522,093,897	
	Small General Service	424,088,428	
	Large General Service	313,371,613	
	Industrial Contract Service	221,146,481	(I)
	Lighting Service	14,092,317	(I)
15.	South Dakota Customer Class Transmission Cost Adjustment (Line 13/Line 14)		
	Residential Service	\$ <u>0.0017/kWh</u>	(R)
	Small General Service	\$ <u>0.0022/kWh</u>	
	Large General Service	\$ <u>0.0018/kWh</u>	
	Industrial Contract Service	\$ <u>0.0012/kWh</u>	
	Lighting Service	\$ <u>0.0018/kWh</u>	

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By: Chris Kilpatrick
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SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C
Original Sheet No. 18

(N)

TRANSMISSION COST ADJUSTMENT

Table 1 – South Dakota Customer Class Capacity Allocation Factors

South Dakota Customer Class	Customer Class Capacity Allocation Factor
Residential Service	34.00%
Small General Service	34.33%
Large General Service	20.73%
Industrial Contract Service	9.97%
Lighting Service	0.97%

TRANSMISSION SERVICES

The TCA shall recover the charges under the Company's Joint Open Access Transmission Tariff approved by the Federal Energy Regulatory Commission (FERC). The TCA may also include allowed charges billed to the Company by any other transmission provider.

Transmissions Services shall include all Network Integrated Transmission Service, all Point-to-Point Transmission Service, including all associated ancillary service charges, and regulation expenses, required to support the Company's system energy sales.

ANNUAL SYSTEM TRANSMISSION COSTS (Line 1)

The Annual System Transmission Costs are the total Company annual year costs for Transmission Services.

POWER MARKETING TRANSMISSION COSTS (Line 2)

Power Marketing Sales are defined as short-term sales to wholesale customers. The Power Marketing Transmission Costs are those transmission costs incurred in facilitating Power Marketing Sales.

TRANSMISSION COSTS REIMBURSED BY OTHERS (Line 3)

These are the transmission costs of the Company that are reimbursed by others.

ANNUAL RETAIL ENERGY SALES (Line 5)

Annual Retail Energy Sales are the total of FERC accounts for Sales of Electricity by Rate Schedules.

BASE TRANSMISSION COSTS (Line 7)

The Base Transmission Costs are as approved by the Commission in Docket EL09-018.

SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES (Line 9)

The South Dakota Annual Year Retail Energy Sales are the total South Dakota retail energy sales for all classes of service authorized by the Commission.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C

First Revised Sheet No. 19

Cancels Original Sheet No. 19

Page 4 of 4

(N)

TRANSMISSION COST ADJUSTMENT

TRANSMISSION COSTS TO SOUTH DAKOTA (Line 10)

This is the total dollar amount of Transmission Costs allocated to all South Dakota retail customers.

CUSTOMER CLASS CAPACITY ALLOCATION OF TRANSMISSION EXPENSE (Line 11)

This is the total South Dakota transmission expense multiplied by each of the customer class capacity allocators to determine the allocated share of the transmission costs (Line 10) for each customer class.

BALANCING ACCOUNT FOR EACH CUSTOMER CLASS (Line 12)

This Balancing Account Amount on Line 12 (positive or negative) is the Line 13 amount for each South Dakota customer class from the previous filing (Total Transmission Costs for each South Dakota Customer Class) less the actual TCA (Refund)/Charge from each customer class for the annual year as adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The TCA (Refund)/Charge will be applied monthly to the Balancing Account for each customer class, first to the interest balance, and thereafter to the principal amount.

TOTAL TRANSMISSION COSTS FOR EACH SOUTH DAKOTA CUSTOMER CLASS (Line 13)

This is the total dollar amount to be collected from or reimbursed to each South Dakota Customer Class.

FORECAST SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES BY CUSTOMER CLASS (Line 14)

These are the kilowatt hours of South Dakota retail sales projected by customer class for the period that the TCA (Line 15) will be in effect.

TRANSMISSION COST ADJUSTMENT (Line 15)

The TCA on Line 15 shall be included in the Company's annual Energy Cost Adjustment and shall be applied to all rate schedules in all classes of service authorized by the Commission. Each customer class TCA is calculated by dividing class allocated expense (Line 13) by the forecast kilowatt hours of retail sales for each customer class (Line 14).

SOUTH DAKOTA CUSTOMER CLASS CAPACITY ALLOCATION FACTORS (Table 1)

The South Dakota Customer Class Capacity Allocation Factors in Table 1 are as approved by the Commission in Docket Number EL06-019.

EFFECTIVE DATE

The TCA will be updated and filed each year thereafter with the effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

ENVIRONMENTAL IMPROVEMENT ADJUSTMENT

Section No. 3C

Second Revised Sheet No. 20

Page 1 of 1

Cancels First Revised Sheet No. 20

ENVIRONMENTAL IMPROVEMENT ADJUSTMENT

APPLICABLE

This Environmental Improvement Adjustment (EIA) applies to all rate schedules for all classes of service authorized by the Commission.

The EIA shall be calculated annually based on actual kWh retail sales for the twelve months of June through May as compared to the actual costs, and shall include an over or under recovery from prior years' adjustments through the Balancing Account. The Company will update and make an EIA filing with the Commission on an annual basis no later than February 15th.

ENVIRONMENTAL IMPROVEMENT ADJUSTMENT RATE

An EIA rate shall be determined by dividing the environmental improvement revenue requirement for the period April 1st through March 31st of each year and the forecasted balance of the EIA Balancing Account divided by the forecasted retail sales volumes for the period June 1st through May 31st for each upcoming year. The EIA rate shall be rounded to the nearest \$0.0001 per kWh.

The EIA rate may be adjusted annually with approval of the Commission. The EIA rate is:

Residential	\$0.0005 per kWh
Small General Service	\$0.0005 per kWh
Large General Service and Industrial	\$0.0003 per kWh
Lighting	\$0.0002 per kWh

Environmental Improvement Revenue Requirement shall be the annual revenue requirements associated with environmental improvements eligible for recovery under SDCL 49-34A-97 and approved by the Commission.

EIA Balancing Account shall be the annual environmental improvement amount approved by the Commission from the previous filing less the actual environmental improvement adjustment amount recovered during the year. The Balancing Account amount shall have interest applied or credited monthly at the annual rate of seven percent (7%).

Forecasted Retail Sales Volumes shall be the estimated total retail electric sales kWh for the designated recovery period.

EFFECTIVE DATE

The EIA will be updated and filed each year on or before February 15th with forecasted financial information and then again no later than April 30th with actual financial information, and with the effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT

Page 1 of 1

Section No. 3C
First Revised Sheet No. 21
Cancels Original Sheet No. 21

ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT

APPLICABLE

This Energy Efficiency Solutions Adjustment (EESA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The EESA shall be calculated annually based on actual versus forecasted energy efficiency solutions program costs and kWh retail sales for the applicable rate schedules for the twelve months of June through May to coincide with other Black Hills Power adjustment clause mechanisms, and shall include an over or under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make an EESA filing with the Commission on an annual basis no later than April 30th. Since the energy efficiency solutions programs will be implemented September 1, 2011, the first year rate recovery period will be from September 1, 2011 through May 31, 2012 and the last rate recovery period for the three year program will be from June 1, 2013 through May 31, 2014.

ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT RATE

An EESA rate shall be determined by dividing the energy efficiency program costs and the forecasted balance of the EESA Balancing Account by the forecasted retail sales volumes for the upcoming year. The EESA rate shall be rounded to the nearest \$0.0001 per kWh.

The EESA rate may be adjusted annually with approval of the Commission. The EESA rates for the applicable rate schedules are:

Residential: \$0.0004
Commercial/Industrial: \$0.0002

Energy Efficiency Solutions Program Costs shall include all expenses, costs and lost margins associated with energy efficiency programs and that are approved by the Commission. All revenues recovered pursuant to the Energy Efficiency Solutions Adjustment shall be credited to the Balancing Account.

EESA Balancing Account amount is the energy efficiency program costs incurred less all revenues recovered pursuant to the Energy Efficiency Solutions Adjustment for the annual year as adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The EESA revenues will be applied monthly to the Balancing Account for each customer class, first to the interest balance, and thereafter to the principal amount.

Forecasted Retail Sales Volumes shall be the estimated retail electric sales for the applicable rate schedules for the designated recovery period.

EFFECTIVE DATE

After the first period effective date of September 1, 2011 to coincide with the implementation of the energy efficiency solutions programs, the EESA will be updated and filed by April 30th each year thereafter with the effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Transmission Facility Adjustment

Section No. 3C
Original Sheet No. 22

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(N)

TRANSMISSION FACILITY ADJUSTMENT

APPLICABLE

This Transmission Facility Adjustment (TFA) applies to all rate schedules for all classes of service authorized by the Commission.

The TFA rate shall be calculated annually based on forecasted revenue requirements for eligible transmission projects and forecasted kWh retail sales for the applicable rate schedules for the twelve months of June through May, and shall include an over or under recovery from prior years' adjustments through the Balancing Account. The Company will update and make a TFA filing with the Commission on an annual basis no later than February 15th.

TRANSMISSION FACILITY ADJUSTMENT RATE

A TFA rate shall be the annual transmission facility improvement revenue requirements for the twelve-month period June 1 through May 31 of each year and the forecasted balance of the TFA Balancing Account divided by the forecasted retail sales volumes for the same June 1 through May 31 twelve-month period for each class of service. The TFA rate shall be rounded to the nearest \$0.0001 per kWh.

The TFA rate may be adjusted annually with approval of the Commission. The TFA rate is initially:

Residential Service	\$0.0000 per kWh
Small General Service	\$0.0000 per kWh
Large General Service and Industrial	\$0.0000 per kWh
Lighting Service	\$0.0000 per kWh

Transmission Facility Improvement Revenue Requirements shall be the annual revenue requirements associated with new or modified transmission facilities eligible for recovery under SDCL 49-34A-25.1 and approved by the Commission. A standard model will be used to calculate the total forecasted revenue requirements for the designated periods.

TFA Balancing Account shall be the difference between the annual revenue requirements for eligible transmission facility improvements approved by the Commission for recovery through the TFA and the actual TFA amounts recovered during the year. The Balancing Account amount shall have interest applied or credited monthly at the annual rate of seven percent (7%). The Balancing Account balance will be included in the TFA rate calculation.

Forecasted Retail Sales Volumes shall be the estimated total retail electric kWh sales for the designated recovery period.

EFFECTIVE DATE

The TFA will be updated and filed each year on or before February 15th with forecasted information and with an effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 4
Ninth Revised Sheet No. 1
Replaces Eighth Revised Sheet No. 1

(Reserved)

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By: Jacqueline A. Sargent
Director of Rates

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

BUSINESS DEVELOPMENT SERVICE
RATE NO. BDS-2 (T)
Page 1 of 3

Section No. 4
First Revised Sheet No. 2
Replaces Original Sheet No. 2

BUSINESS DEVELOPMENT SERVICE

AVAILABLE

At points on the Company's existing transmission or distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers requiring an appropriate response to non-standard unique or specialized electric services and/or to meet competitive forces in the energy services markets in a manner that satisfies the needs of participating customers while balancing the interests of the participating customer, the non-participating customers, and the Company.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established transmission or distribution system most available to the location of the customer.

ELIGIBILITY

Customers requesting Business Development Service (BDS) will be considered upon written application to the Company if one or more of the following conditions is shown by the customer to exist:

1. The customer accepts non-standard electric service for new or existing load;
2. The customer has unique requirements for new load;
3. The customer intends to acquire its electric service for new or existing load from a source other than the Company absent service under this rate by showing:
 - a. The customer demonstrates a competitive alternative, energy source or business locations, to the Company's standard tariff rates; and
 - b. The comparative economics, including but not limited to availability of capital, environmental impacts and assessment of risk, of the alternative over the Company's standard tariffed rates are material; and

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

BUSINESS DEVELOPMENT SERVICE
RATE NO. BDS-2 (T)
Page 2 of 3

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BUSINESS DEVELOPMENT SERVICE

ELIGIBILITY (continued)

- c. The alternative is demonstrated to be technologically feasible and legally permissible; and
- d. The customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the customer's actual ability to utilize the alternative within a reasonable period of time.

Upon receipt of the customer's written application, and such additional information as the Company may require, the Company and the applying customer may, at the sole discretion of either party, commence negotiation of rates and terms and conditions of service under this tariff. If a mutually acceptable agreement is reached, the agreement and full support for it shall be forwarded to the Commission for their file of contracts with deviations as authorized by this rate schedule.

CONTRACT PROVISIONS

All mutually acceptable service agreements will meet these minimum standards:

1. The initial service term shall not be less than three years; and
2. No service term shall exceed 7 years without the inclusion of language providing for renegotiation by the Company.
3. The minimum written notice of cancellation by either party shall be nine months; and
4. The customer shall not be eligible for any discounts or service conditions except as provided for in the service agreement; and
5. The compensation to be received under the service agreement during its term shall exceed the marginal cost to the Company of performance under the contract; and
6. The rate for metered service will be designed to encourage the customer to improve load factor, calculated using the customer's On-Peak KVA; and
7. Minimum contract demand is 250 KVA; and
8. The terms and conditions of service shall be those contained in the service agreement between the Company and the customer; and
9. Identification of the rate schedule that customer would have received service under in lieu of BDS.

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BUSINESS DEVELOPMENT SERVICE
RATE NO. BDS-2 (T)
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Replaces ~~Second-Third~~ Revised Sheet No. 4

BUSINESS DEVELOPMENT SERVICE

RATE

All charges for service under this rate shall be the charges contained in the contract between the Company and the customer.

CONFIDENTIALITY

Upon request of the Company or the customer, upon good cause shown by affidavit, all terms and conditions of any service agreement under this rate schedule and any supporting information shall be protected from disclosure as confidential in accordance with the Commission's Administrative Rules provided for at Section 20:10:01:41 and 20:10:01:42.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable ~~cost~~ Cost adjustment ~~Adjustment~~ tariffs in Section No.3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Section No. 4

~~Sixth~~ Seventh Revised Sheet No. 5

Page 1 of 2

Replaces ~~Fifth-Sixth~~ Revised Sheet No. 5

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Contract #16651

South Dakota Science and Technology Authority (SDS&TA) Second Amendment to Electric Power Service Agreement pursuant to ~~EL09-018~~EL12-061.

(T)

Contract #11155

Pennington County Energy Storage Service Contract. The agreement was effective June 1, 1995 and has a term of three years and continues thereafter until cancelled by the one year written notice of either party.

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Black Hills Power, Inc.
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SOUTH DAKOTA ELECTRIC RATE BOOK

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Section No. 4

Fifth-Sixth Revised Sheet No. 6

Page 2 of 2

Replaces ~~Fourth-Fifth~~ Revised Sheet No. 6

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Contract #15397

State of South Dakota: South Dakota School of Mines and Technology and Black Hills State University Electric Service Agreement, effective May 1, 2005 and has a term of three (3) years and continues until cancelled by one year written notice of either party. The agreement is to provide Distribution Wheeling Service and Supplemental Power Service.

Contract #11398

~~Countertops, Inc. f/b/a Dakota Panel South Dakota (successor to Merillat, LP) Second~~ MENARD, Inc., dba Midwest Manufacturing, dba Dakota Panel Restatement and Amendment to ~~Industrial Contract~~ Electric Power Service Agreement pursuant to EL09-048EL12-061. (T)

Contract #121-9

~~GCC Dacotah, Inc. Second~~ Third Amendment to Electric Power Service Agreement pursuant to ~~EL09-048~~ EL12-061. (T)

Contract #12647

~~Rapid City Regional Hospital, Inc. First~~ Second Amendment to Electric Power Service Contract pursuant to ~~EL09-048~~ EL12-061. (T)

Contract #12838

~~Rushmore Forest Products, Inc. Second~~ Third Amendment to Electric Power Service Contract pursuant to ~~EL09-048~~ EL12-061. (T)

Contract #12838

~~Spearfish Forest Products, Inc. (successor to Neiman Enterprises, Inc.) Second~~ Third Amendment to Electric Power Service Contract pursuant to ~~EL09-048~~ EL12-061. (T)

Contract #12877

Pete Lien & Sons, Inc. First Amendment to Electric Power Service Contract, entered into on Oct. 1, 1999 and amended pursuant to EL12-061. (N)

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
Second Revised Sheet No. 1
Replaces First Revised Sheet No. 1

GENERAL RULES AND REGULATIONS COVERING ELECTRIC SERVICE BLACK HILLS POWER, INC.

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SOUTH DAKOTA ELECTRIC RATE BOOK

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100 GENERAL

101 – GENERAL STATEMENT OF PURPOSE

These rules and regulations are designed to govern the supply of electric service by Black Hills Power, Inc. and the taking of electric service by the customer to provide the customer the greatest practical latitude in the use of electric service consistent with good business practices and safety procedures. These rules, regulations and conditions of service in no way supersede or modify any general rules or lawful orders of any Regulatory Body. If there is any conflict, it shall be understood that the standard rules and regulations and the lawful orders of the Regulatory Body shall control. If these rules and regulations in any way conflict with the filed tariffs of the Company, it shall be understood that the tariffs shall apply. (C)

102 – APPLICATION OF RULES AND REGULATIONS

These rules and regulations shall apply to any and all electric service supplied by Black Hills Power, Inc. to any customer. (C)

102.1 – INTENT OF RULES AND REGULATIONS

These rules and regulations are intended to promote safe and adequate service to the public and to provide uniform applications of rates.

102.2 – ALTERING OR AMENDING

The adoption of these rules and regulations shall in no way preclude the Company from altering or amending them or from making such modification with respect to their application as may be found necessary to meet exceptional conditions subject to approval by the Commission.

102.3 – RESPONSIBILITY UNDER THE LAW

These rules and regulations shall in no way relieve the Company or the customers of any of its duties or responsibilities under the law.

103 – DEFINITIONS

103.1 "Company" means Black Hills Power, Inc. (C)

103.2 "Customer" means any person, partnership, firm, association, corporation or any agency of the Federal, state or local government being supplied, or which can be supplied, with electric service by Black Hills Power, Inc. (C)

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Rapid City, South Dakota

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Section No. 5
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103 – DEFINITIONS (*continued*)

- 103.3** "Regulatory Body" means the government agency legally constituted and vested with the authority to regulate the Company's service and/or rates.
- 103.4** "Electric Service" means the supplying of electric power and energy, or its availability irrespective of whether any electric power or energy is actually used.
- 103.5** "Point of Delivery" means the end of the Company's service drop, or the point where the Company's wires are joined to the customer's service entrance unless otherwise specified in the customer service agreement.
- 103.6** "Customer Installation" means, in general, all wiring, appliances and apparatus of any kind or nature on customer's side of the point of delivery (except Company's meter installation) used or useful in connection with the customer's ability to take electric service.
- 103.7** "Month of Billing Period" means an interval of approximately thirty (30) days between successive meter reading dates and not generally a calendar month.
- 103.8** "Service Agreement" means the agreement or contract between the Company and the customer pursuant to which electric service is supplied or taken.
- 103.9** "Notice" means unless otherwise specified, a written notification delivered personally or mailed by one party to the other at such party's last known address, the period of notice being computed from the date of such personal delivery or mailing.
- 103.10** "Meter" means the meter or meters together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied by the Company to any customer at a single point of delivery.
- 103.11** "Premises" means any piece of land or real estate, including building and other appurtenances thereon.
- 103.12** "Electric Plant" means all real estate, fixtures and property owned, controlled, operated or managed in connection with or to facilitate the production, generation, transmission, delivery or furnishing of electricity for light, heat or power.

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Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
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103 – DEFINITIONS (*continued*)

- 103.13 "Service Drop" –means the overhead wires, owned by the Company connecting Company's distribution line to the customer's service entrance conductors. (C)
- 103.14 "Service Lateral" –means the underground conductors between the secondary conductors (including any used at a pole, pedestal or transformer) and the first point of connection to the customer's service entrance conductors. (C)
- 103.15 "Service Entrance Conductors" means (1) For underground, the conductors owned by customer between the point of connection with service lateral and the terminals of the service equipment. (2) For overhead, the conductors between the connection with the service drop and the terminals of the service equipment.
- 103.16 "Service Equipment" means the equipment, usually including a circuit breaker or fuses, located near the point of entrance of service entrance conductors.

200 SERVICE AGREEMENT

201 – APPLICATION FOR SERVICE

A party desiring electric service must make application to the Company before commencing the use of Company's service. Company reserves the right to require a signed application or written contract for service to be furnished. All applications and contracts for service shall be made in the legal name of the party desiring the service. Company may refuse or terminate service to any applicant for or user of service who fails or refuses to furnish information requested by Company for the establishment of a service account. Receipt and use of electric service in the absence of application or contract shall constitute the user a "customer" of the Company, subject to its rates, rules and regulations, and said user shall be responsible for payment of all services used.

Subject to its rates, rules and regulations, Company will continue to supply electric service until notified by customer to discontinue such service and customer will be responsible for payment of all service furnished to the date of such discontinuance.

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201.1 – CONTRACT PERIOD

The contract period of the service agreement shall be as indicated in the applicable rate schedule unless otherwise provided for in the service agreement.

201.2 – USE OF ELECTRIC SERVICE

Electric service supplied under a service agreement is for the customer's use within or upon the premises served and for the purpose designated in the service agreement and such service agreement is not transferable without the written consent of the Company.

201.3 – DEPOSITS

The Company may require from any customer or prospective customer a deposit intended to guarantee payment of current bills. This required deposit shall not be considered as an advance payment of bills for service to be rendered, but shall be held as security for payment of bills for service rendered and may be applied in payment of such bills only in the event service is discontinued.

The required deposit shall not exceed the amount of one-sixth (1/6) of the estimated annual bill. Simple interest shall be paid by the Company on the deposits at the rate prescribed by the applicable Regulatory Body for the time the deposit is held by the Company.

When the customer has received twelve (12) consecutive months of service with no requirement to disconnect for nonpayment and no more than two (2) disconnect notices have been issued, the deposit plus interest will be automatically refunded.

201.4 – DEFAULT OR BREACH OF SERVICE AGREEMENT

The Company, in addition to all other legal remedies, may terminate the service agreement or suspend delivery of service, for any default or breach of the service agreement by the customer. But, no such termination or suspension will be made by the Company without first giving the customer ten (10) days' written notice, except for extended periods as designated by the Commission, stating in what particular manner the service agreement had been violated. Failure of the Company at any time either to suspend delivery of service or to terminate the service agreement, or to resort to any other legal remedy or its adoption of either one or the other of such alternatives shall not affect the Company's right to resort to any such remedy for the same or any future default or breach by the customer. (C)

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Rapid City, South Dakota

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202 – CUSTOMER CLASSIFICATION

Customers will be classified as follows:

202.1 – URBAN CUSTOMER

An urban customer is any customer taking electric service within the corporate limits of any incorporated city or town served by the Company.

202.2 – RURAL CUSTOMER

A rural customer is any customer taking electric service on a continuous basis outside the corporate limits of any incorporated city or town served by the Company.

202.3 – RESIDENTIAL CUSTOMER

A residential customer is one using electric service for domestic purposes in space occupied as a single-family private dwelling unit supplied through one meter.

202.4 – MUNICIPAL CUSTOMER

Any incorporated city or town taking electric service which is needed for and used in connection with the tax-supported operations of government shall be classified as a municipal customer.

202.5 – GENERAL SERVICE CUSTOMER

A general service customer is one using electric service in the conduct of some business enterprise in space occupied and operated for commercial purposes, and is not eligible for service under any other customer classification.

202.6 – INDUSTRIAL CUSTOMER

An industrial customer is one using electric service for the production of commerce through manufacturing, processing, refining, mining, or fabricating.

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Section No. 5
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300 SUPPLYING AND TAKING OF SERVICE

301 – SUPPLYING OF ELECTRIC SERVICE

The undertaking of the Company to supply electric service shall be completed by the supplying of electric energy, under the applicable rate schedule at the point of delivery to the customer and according to rules prescribed by the applicable Regulatory Body.

Electric service will not be supplied to any customer if at the time of application of service the applicant is indebted to the Company for service previously supplied at the same or other premises until payment for such indebtedness has been made in full.

302 – CONTINUITY OF ELECTRIC SERVICE

The Company will use reasonable diligence to provide continuous electric service but does not guarantee a constant supply of electric energy and shall not be liable to customer for damage occasioned by delay or interruption of service caused by governmental or municipal action or authority, litigation, war, public enemies, vandalism, strikes, acts of God, order of any court or judge granted in any bona fide adverse legal proceedings or action, or any order of any Regulatory Body, Commission or tribunal having jurisdiction in the premises, or any cause the Company could not have foreseen or reasonably guarded against; provided, however, that the Company or customer as the case may be, shall be prompt and diligent in removing or overcoming the cause or causes of such delay or interruption of delivery or receiving electric service and nothing herein shall be construed as permitting the customer to refuse to receive service or the Company to refuse to deliver service after the cause of the delay or interruption has been removed.

In the event the Company is prevented from delivering electric service or any part thereof for any of the above reasons, the Company will not be bound to deliver power during such time and there will be a pro rata reduction in billing capacity or similar charges as provided for in the rate schedule under which the customer is receiving electric service. (C)

303 – SUSPENSION OF ELECTRIC SERVICE FOR REPAIRS OR ALTERATIONS

When necessary to make repairs or alterations to its electric plant, the Company may, without incurring any liability therefore, suspend electric service for such periods as may be necessary, and in such manner as to minimize inconvenience to the customer. The Company will attempt to notify any affected customers of an intentional interruption of service necessitated by ordinary maintenance of its service lines and related equipment.

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304 – USE OF ELECTRIC SERVICE

Electric energy purchased from the Company shall be for the sole use of the customer and shall be used by the customer only for the purpose specified in the service agreement and at the premises upon which the meter is located. The customer shall not sell, share with another or transmit off the premises any electric energy received from the Company except with written consent of the Company.

In no case may the customer extend or connect installations to lines across or under a street, alley, lane, court or avenue or other public or private space in order to obtain service for adjacent property through one meter. (C)

All equipment used by the customer shall be so operated and have such starting and performance characteristics that its use will not cause unusual voltage fluctuations or other disturbances on the Company's system.

305 – UNAUTHORIZED USE OF ELECTRIC SERVICE

In case of unauthorized remetering, sale, extension or other disposition of electric service, the Company may immediately discontinue the supplying of electric service to customer until such unauthorized act is discontinued and full payment is made for all service supplied or used, billed on the proper rate schedule and reimbursement in full made to the Company for all extra expenses incurred, including expenses for clerical work, testing and inspections.

306 – AUXILIARY ELECTRIC SERVICE

Auxiliary, standby or supplemental electric service will not be supplied by the Company to a customer for use in conjunction with electric or mechanical energy from another source unless the rate schedule under which the customer is receiving service provides specifically therefore, or according to rules prescribed by the applicable Regulatory Body. For any violation of this rule, the Company reserves the right to discontinue all electric service and to remove its service connections.

307 – TEMPORARY SERVICE

Temporary service is defined as service to projects which for all purposes which from their very nature evidently will be of short duration.

A customer taking temporary service shall pay the regular rates applicable to the class or classes of service rendered for all energy used. In all cases initial billing for service fees will be charged and collected in advance.

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308 – INCIDENTAL SERVICE

Service continuously available through a permanent connection to provide power and energy for use by customer when such use is merely incidental to customer's operations and essentially for customer's convenience, for voltage or frequency control, for partial lighting of selected or limited areas, or for operation of controls, battery charges, starting devices, electric clocks or other equipment requiring relatively small quantities of energy as compared with customer's total energy usage, shall be defined as incidental service. (C)

309 - CUSTOMER'S RESPONSIBILITY AND LIMITATION OF LIABILITY

The customer assumes all responsibility on customer's side of the point of delivery for the service supplied or taken, as well as for the electrical installations, appliances and apparatus used in connection therewith and shall save the Company harmless from and against all claims for injury or damages to persons or property occasioned by or in any way resulting from such service or use thereof on customer's side of the point of delivery. Customer shall install protective equipment with adequate fault current interrupting ability. The Company shall supply, when requested, information on fault capacity at the point of delivery.

In all other circumstances, the liability of the Company to customers or other persons for damages, direct or consequential, including damage to computers and other electronic equipment and appliances, loss of business, or loss of production caused by any interruption, reversal, spike, surge or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity shall in no event, unless caused by the willful and/or wanton misconduct of the Company, exceed an amount in liquidated damages equivalent to the greater of \$500 or two times the charge to the customer for the service affected during the period in which such interruption, reversal, spike, surge or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity occurs. (N)

310 – RIGHT-OF-WAY

Customer shall, without compensation, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to customer and for continuing or extending said lines over and across the property owned or controlled by customer. The Company shall not be liable for damages involving the power line when such damages result from actions of parties other than the Company.

311 – ACCESS TO PREMISES

The duly authorized agents of Company shall have access during all reasonable hours to the premises of customer for the purpose of inspecting wiring and apparatus, inspecting, maintaining and repairing lines over and across said premises, removing or replacing Company's property, reading of meters and all other purposes incident to the supplying of service. (C)

312 – LOCATION OF CUSTOMER'S SERVICE TERMINAL

Customer's service terminal is to be located at a point readily accessible to Company's distribution lines, such point to be determined by Company.

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Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
Second Revised Sheet No. 14
Replaces First Revised Sheet No. 14

400 CUSTOMER'S INSTALLATION

401 – NATURE AND USE OF INSTALLATION

All of customer's wires, apparatus and equipment shall be selected with the view of obtaining safety, good efficiency, good voltage regulation and the highest practicable power factor and shall be installed in accordance with standard practices. Customer shall install and maintain, on customer's side of point of delivery, suitable protective equipment as may be required by the Company for the protection of its service to other customers and may not employ or utilize any equipment, appliance or device so as to affect adversely Company's service to customer or to others. The Company's failure to require such equipment shall not operate to relieve customer from the obligation to utilize and comply with standard practices. Company may require compensating starters or other suitable starting devices for motors above ten (10) horsepower.

Individual single phase motors rated at 10 (ten) horsepower or less will ordinarily be permitted at any point where electric service is available.

Company will not provide three (3) phase for motors less than ten (10) horsepower unless three (3) phase service exists or with special approval of Company.

Customers and contractors contemplating the purchase and/or the installation of three (3) phase motor or any single phase motor larger than ten (10) horsepower, should obtain information from a Company representative relating to the character of service available at the address of such proposed installation.

All individual motors of ten (10) horsepower or over should be three (3) phase where service can be obtained by direct connection with existing three (3) phase secondary lines or a reasonable extension thereof.

Individual single phase motors larger than ten (10) horsepower or with locked rotor currents exceeding 120 amperes, will be permitted only upon written approval of the Company.

Installation of all motors fifty (50) horsepower or larger must receive written approval of the Company.

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When polyphase service is supplied by Company, customer will control the use thereof so that the load at the point of delivery will be maintained in reasonable electrical balance between the phases.

Installations of neon, fluorescent, mercury vapor lamps or tubes or other types of gaseous tube lamps or other devices having low power factor characteristics, should be equipped with corrective apparatus to increase the power factor of each unit or separately controlled group of units to not less than approximately ninety percent (90%) lagging.

402 – INSPECTION BY COMPANY

Company retains the right, but does not assume the duty, to inspect customer's installation at any time and will refuse to commence or to continue service whenever it does not consider such installations to be in good operating condition, but Company does not in any event assume any responsibility whatsoever in connection with such matters.

403 – CHANGES IN INSTALLATIONS

As Company's service drops, transformers, meters and other facilities used in supplying service to customer have a definite limited capacity, customer shall give notice to Company and obtain Company's consent, before making any material changes or increases in customer's installations. Company, as promptly as possible after receipt of such notice, will give its approval to the proposed change or increase, or will advise customer upon what conditions service can be supplied for such change or increase. Failure to secure Company's approval shall make customer liable for any damage to Company's facilities.

404 – REPAIRS TO CUSTOMER'S INSTALLATION

All repairs to customer's equipment and apparatus shall be the responsibility of the customer. It is the responsibility of the customer to determine whether their equipment and apparatus are suitable for operation at the type of service which they will receive from the Company. The responsibility of the customer regarding use of the service is not set aside by inspections or recommendations of the Company which are made as a courtesy to the customer or as a protection to the service to other customers.

(C)

405 – UNSAFE OR DISTURBING USE OF ELECTRIC SERVICE

The Company may refuse to render electric service or may withdraw same whenever the wiring or equipment of a customer is in an unsafe condition as defined by any governmental agency or is so designed or operated as to disturb the electric service to other customers. The connection of welding machines, X-ray equipment, motors with excessive starting currents and experimental electric devices to any electric service of the Company is expressly forbidden as disturbing to electric service, except where adequate protective devices approved in advance by the Company are installed and maintained by the customer in accordance with the Company's standards. If customer's installation of such equipment requires Company to install separate transformer capacity, the customer shall be billed on the applicable rate schedule for the service provided.

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If service has been refused or withdrawn because customer's service is deemed to be unsafe, said service will not be reestablished until customer is in compliance with authorized governmental agencies' safety and wiring requirements and said agency or agencies so inform the Company in writing.

500 COMPANY INSTALLATION

500 – INSTALLATION AND MAINTENANCE

Except as otherwise provided in these Service Regulations, in service agreements or rate schedules, Company will install and maintain its lines and equipment on its side of the point of delivery, but shall not be required to install or maintain any lines or equipment, except meters, on customer's side of the point of delivery. Only Company's agents are authorized to connect Company's service drop to customer's service entrance conductors and to connect Company's meters.

501.1 – INSPECTION

The customer's wiring must conform to municipal or state requirements, whichever may govern, and to accepted modern standards as exemplified by city, state and national codes; and if an affidavit or certificate of inspection is required by state law, the same must be furnished.

501.2 – STANDARD CONNECTION

The ordinary method of connection between Company's distribution lines and customer's service entrance conductors will be by overhead wires. If customer shall desire to have connection made in any other manner, special arrangements will be made between customer and Company by which the connection will be made and maintained at customer's expense (see Section 800 LINE EXTENSIONS).

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501.3 – VOLTAGE, FREQUENCY AND PHASE

Electric service furnished will be alternating current, 60 hertz, single or three (3) phase, at one of the nominal standard voltages given below:

Secondary Voltage:

Single phase, 120 volt 2 wire, 120/240 volt 3 wire or 120/208 3 wire

Three phase, 240 volt 3 wire

Three phase, 4 wire 120/240 or 120/208 or 277/480 volt where available

Three phase, 480 volt 3 wire

Primary Voltage:

The voltage of the Company's nearest distribution line of adequate capacity as determined by the Company.

The nominal standard voltages shall be maintained so far as practical within the limits of ANSI 84.1 Voltage Ratings for Electric Power Systems and Equipment.

502 – PROTECTION BY CUSTOMER

Customer shall protect Company's wiring and apparatus on customer's premises and shall permit no one except Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by customer or other unauthorized persons, the cost of repairing such damage shall be paid by customer or person causing such damage.

503 – CUSTOMER EXTENSIONS

The Company, at its own expense, makes extensions where the revenue therefrom is sufficient, in Company's opinion, to justify the necessary expenditure.

Where the Company cannot be assured that the business offered is of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of Regulatory Bodies may control, the customer or customers shall make arrangements satisfactory to Company dependent upon the particular condition of each situation.

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504 – UNLAWFUL USE OF SERVICE

The Company may discontinue service to any customer without notice in advance and without terminating the agreement for service in the event fraudulent use of service is detected, or where a dangerous condition is found to exist on the customer's premises. In such event, the Company may require the customer to pay for such electric energy as the Company may estimate from available information to have been used but not registered by Company's meter and to increase the customer's deposit or payment bond before electric service is restored; and in addition thereto, the customer shall be required to bear all costs incurred by the Company for such protective equipment as in its judgment may be necessary. (C)

505 – ATTACHMENT TO COMPANY'S PROPERTY

The use of poles, wires, towers, structures or other facilities of the Company, by the customer or others for the purpose of fastening or supporting any radio or television equipment, or any wires, ropes, signs, banners or anything of similar nature, or the locating of same in such proximity to aforesaid property or facilities of the Company as to cause, or be likely to cause, interference with the supply of electric service, or dangerous condition in connection therewith, is prohibited, and the Company shall have the right forthwith to remove same without notice.

600 METERING

601 – METER INSTALLATIONS

The customer shall provide and at all times maintain on the premises to be supplied with electricity a readily accessible space for the installation of Company's meters or other devices necessary to supply electricity to the premises. The customer shall provide the necessary meter loop and meter board, constructed and installed in accordance with the Company's standards and in full compliance with all laws and governmental regulations applicable to the same. The relocation of any meter after it has been installed shall be done at the expense of the customer if done at customer's request. (C)

The Company will furnish and install without expense to the customer, meter and appurtenances at suitable places either outside on the building walls or inside the building at the discretion of the Company. Any equipment furnished by the Company shall remain its property and may be removed by it at any time after the termination of the service agreement, or upon discontinuance of electric service for any reason.

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602 – EVIDENCE OF CONSUMPTION

Unless proven to be inaccurate, the registration of Company's meter shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by customer.

603 – TESTS AND CHECKS

Company tests its meters and maintains their accuracy of registration in accordance with good practice and according to rules prescribed by the applicable Regulatory Body. On request of customer, Company will make a special test or check which will be done at the expense of the Company. If the customer requests another test before the expiration of a twelve (12) month period, the customer shall provide in advance of the test, the appropriate meter test deposit, that will be forfeited if the meter is found to be in error by less than two percent (2%), fast or slow.

(C)
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700 BILLING

701 – BILLING PERIODS

Bills ordinarily are rendered regularly at monthly intervals, but may be rendered more or less frequently at Company's option. Non-receipt of bill by customer does not release or diminish the obligation of customer with respect to payment thereof.

702 – SEPARATE BILLING FOR EACH POINT OF DELIVERY

The use of service is metered separately at each point of delivery for each customer served. Whenever for any reason Company furnishes two or more meter installations for a single customer, or supplies service under a schedule which does not require a meter, each point of metering and/or point of delivery where no meter is required is considered as a separate service. A separate service agreement is required for each such separate service, except where the Company may, under special circumstances, waive this requirement.

703 – ADJUSTMENT FOR INACCURATE METER REGISTRATION OR BILLING

703.1 – ADJUSTMENT OF BILLS WHERE METER IS FOUND IN ERROR

If any electric service meter tested is found to be more than two percent (2%) in error, either fast or slow, proper correction shall be made of previous readings for the period equal to one-half the time elapsed since the most recent test, but not to exceed six months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the readings shall be adjusted from that date. The average error of a meter shall be defined as one-fifth the algebraic sum of (1) one times the error at light load, and (2) four times the error at a heavy load. Only the customer served by the electric service meter at the time of testing is eligible for a refund.

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If an electric service meter is found not to register or to register intermittently for any period, the Company shall make a charge for electricity used, but not metered, based upon amounts used under similar conditions during periods preceding or subsequent thereto, or during corresponding periods in previous years.

703.2 – ERROR IN RECORDING METER DATA

When a customer has been misbilled due to an error in recording meter data, the bills will be adjusted as follows:

- A. Underbilled: Proper and correct bills will be rendered for the period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.
- B. Overbilled: Proper and correct bills will be rendered (and a credit given) for the period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.

703.3 – INCORRECT APPLICATION OF THE RATE SCHEDULE

- A. Underbilled: Proper and correct bills will be rendered for the period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.
- B. Overbilled: Proper and correct bills will be rendered (and a credit given) for a period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.

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Section No. 5
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Replaces ~~Third-Fourth~~ Revised Sheet No. 21

704 – DELINQUENT BILLS

Bills become delinquent if not paid within twenty (20) days of the date of the bill. Service may be discontinued upon ten (10) days written notice to the customer in the months of April through October and forty (40) days written notice to the customer in the months of November through March and per rules prescribed by the applicable Regulatory Body. If the Company agrees to accept payment arrangements on a delinquent account, the arrangement will include the full balance of the account.

(N)

705 – CHARGE FOR RESTORING SERVICE

If service is discontinued for any reason herein mentioned, the customer may be required to reimburse the Company for all costs incurred by the Company in reconnecting service to said customer. Reconnection costs shall include all direct charges incurred while reconnecting service, plus an additional charge to cover the cost of administration and special accounting.

706 – SELECTION OF RATE SCHEDULE

The Company's rate schedules are designed for service supplied to customer on a continuous annual basis. Customer may elect to take service under any of the schedules applicable to such service. For initial service, Company will advise customer of the schedule which in its judgment is best adopted to customer's needs on an annual basis, but such advice must be based upon customer's statements as to customer's installation and requirements for service, and Company assumes no responsibility for the selection of the schedule made by customer. Rules applicable to specific schedules shall apply when customer desires service on other than a continuous basis.

707 – PRORATION OF BILLS

For all billings, the charges will be prorated based upon a thirty (30) day billing period when the billing period is outside of the standard billing period of twenty-three (23) to forty (40) days.

708 – ESTIMATED BILLING DUE TO UNREAD METERS

In the event it is impossible or impracticable to read customer's meter on the scheduled meter reading day, Company may render an "Estimated Bill." Company may render "Estimated Billings" to rural customers on a schedule basis, however, Company will render no more than three (3) estimated bills in consecutive order. Only in unusual cases, or when approval is obtained from a customer, shall more than three (3) consecutive estimated bills be rendered.

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709 - MASTER METERING

All buildings, mobile home parks and trailer courts for which construction was begun after June 13, 1980, shall be metered separately for each residential or commercial unit, with the exception of hospitals, nursing homes, transient hotels and motels, dormitories, campgrounds, other residential facilities of a purely transient nature, central heating or cooling systems, central ventilating systems, central hot water systems and multiple occupancy buildings constructed, owned or operated with funds appropriated through the Department of Housing and Urban Development or any other federal or state government agency. Any existing multiple occupancy building receiving master metered service which is substantially remodeled or renovated for continued use as a multiple occupancy building, if such remodeling or renovation is begun after June 13, 1980 shall be individually metered, unless the building meets any of the exceptions listed above or unless the owner of such building demonstrates to the satisfaction of the Public Utilities Commission that conversion from master metering to individual metering would be impractical, uneconomical or unfeasible.

(N)

710 - RESIDENTIAL BUDGET BILLING

Monthly Budget Billing payments are established based on the previous 12 monthly bills for the customer's current residence plus the current account balance divided by 12. Budget Billing amounts will be monitored monthly in comparison to the previous 12-month average. The monthly Budget Billing amount will be changed only if the recalculated budget amount differs 10 percent or more from the current Budget Billing amount. On the Budget Billing anniversary date, the monthly payment amount will be recalculated by adding the total of the previous 12 months' actual bills to the account balance and dividing by 12.

In order to stop Budget Billing, any carryover credit or balance due is applied to the next month's bill and becomes due in full at that time. In the event a customer is removed from Budget Billing and seeks to be reinstated, the customer's account balance must be current before the Budget Billing plan is re-established.

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800 LINE EXTENSIONS

Line extensions shall be administered in accordance with these rules.

801 - APPLICABLE

This rule is applicable to all prospective permanent customers located within the Company's service area, providing the proposed line extension can be built from an existing distribution line of 24.9 kV or less. This rule is not applicable to temporary service.

802 - DEFINITIONS – GENERAL CONSTRUCTION POLICY

1. A line extension is herein defined as a branch from, or a continuation of, an existing Company-owned distribution line. A line extension from customer-owned lines will require special agreements. A line extension may be either single or three phase or may be the conversion of an existing single phase line to three phase with or without further extension of the three phase line.
2. This section of the rules and regulations sets forth the terms and conditions under which the Company will construct and extend its facilities to serve new loads and replace, relocate, or otherwise modify its distribution facilities.
3. Applicant is the individual(s) who requests a line extension of the Company.
4. Developer is an Applicant requesting a line extension to serve two (2) or more contiguous building sites.
5. Revenue shall be the estimated annual revenue which the Company expects to receive from the Applicant as determined by the terms of Sections 803.1.A and 802.2.E of this rule.
6. Actual Revenue is the sum of the actual payments made to the Company by the Applicant for electrical service for the account in question per the line extension agreement less the applicable sales tax.
7. A Permanent Year-Round Dwelling is a residence which includes a well or water hook-up, sewer or septic-system, automatic heating system and is otherwise likely to be inhabited year-round.
8. Rate Schedule is the Company's filed tariff for which the Applicant/customer qualifies. Qualification will be solely determined by the Company and may change if the Applicant/customer changes their expected electricity consumption.
9. Line Extension Allowance is the estimated construction cost which the Company will incur without charge to the Applicant.

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- 10. Advance Deposit is the payment required of the Applicant prior to line extension construction for any estimated construction cost in excess of the Line Extension Allowance.
- 11. No refunds will be made in excess of the refundable Advance Deposit, and deposits shall bear interest only as specified herein. Refunds, where applicable, will be made in accordance with the terms stated herein.
- 12. Each line extension shall be a separate, distinct unit and any further extension therefrom shall have no effect upon the agreements under which such extension is constructed.
- 13. All construction of line extensions shall conform to the Company's standards as well as applicable national, state, and local electrical codes.
- 14. In all cases where, in the opinion of the Company, its investment in facilities appears extraordinary or unusual, and where extensive repairing or building of any facilities is necessary to accommodate the customer or group of customers, making application for service, the right is reserved to require the customer, or group of customers, to be served to execute a contract for a definite period of service, and to otherwise protect the Company against possible losses. Prospective customers entering into a venture, which is considered by the Company as a poor risk for the investment of its capital, may be required to finance the entire additional investment needed to serve the customer.
- 15. The title to every line extension shall at all times remain with the Company. The Company reserves the right at all times to add customers to an extension, and to make new extensions to any existing extension, under the provisions of these rules, without procuring the consent of any customer (Applicant) or customers contributing to the original construction costs.
- 16. Payment shall be made prior to the start of such construction. Where a group of customers will be served by a single extension, applicable charges shall be allocated in an equitable manner by the Company.

(C)

803 – LINE EXTENSION POLICY

(C)

803.1 – RESIDENTIAL SERVICE

Company Financed Extensions – For each Permanent Year-Round Dwelling in place or under construction, the Company will Construct a line extension without charge to the Applicant if the estimated construction cost does not exceed four (4) times the following standard annual revenue amounts (the "Line Extension Allowance") for the residential dwelling to be served under the applicable Rate Schedule:

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<u>RATE SCHEDULE</u>	<u>ANNUAL REVENUE STANDARD</u>	<u>LINE EXTENSION ALLOWANCE</u>
Regular Residential Service	\$ 500	\$2,000
Total Electric Residential Service	\$ 750	\$3,000
Residential Demand Service	\$ 1,250	\$5,000

For permanent dwellings which, in the Company's opinion are not designed and constructed to be inhabited year-round (at least nine months each year), the total Line Extension Allowance is \$1,000 or the Applicant may sign a seasonal use agreement and qualify for the applicable Permanent Year-Round Dwelling Line Extension Allowance.

The Rate Schedule shall be determined from the Applicant's representation. If at any time it is determined that the Applicant has misrepresented electrical service, the Company shall redetermine the applicable Line Extension Allowance. The redetermination may result in a charge to the Applicant, if the Company's estimated construction cost exceeds the correct Line Extension Allowance.

- B. Charges – Line extensions which are estimated to cost in excess of the Line Extension Allowance will require an Advance Deposit for all excess cost. The line extension construction cost estimate will be based on the following standards:

DISTRIBUTION LINE

Single Phase (1Ø) Overhead or Underground = \$3.00/foot
Three Phase (3Ø) Overhead or Underground = \$9.00/foot

TRANSFORMERS

Single Phase (1Ø) Overhead = \$ 900.00
Single Phase (1Ø) Underground = \$1,700.00

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SWITCHING MODULES

Single Phase (1Ø) Underground = \$1,500.00
Three Phase (3Ø) Underground = \$3,800.00

SECONDARY SERVICE

Overhead to Overhead = \$ 100.00
Underground to Underground = \$ 300.00
Overhead to Underground = \$ 400.00

- C. Measurement – The length of any line extension will be measured along the route of the extension from the Company's nearest facilities from which the extension can be made to the point of transformation of last pole. Should the Company for its own reasons choose a longer route or require system improvement as part of the extension, the Applicant will not be charged for the additional distance or costs, however, if the Applicant requests special routing of the line extension, the Applicant will be required to make in advance of construction a non-refundable contribution to pay for the additional cost resulting from the special routing.
- D. Refunds – The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
1. The Applicant may be entitled to a refund of any remaining Advance Deposit if additional line extensions are constructed from the electrical facilities that were partially financed by the Applicant. Only those lines extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions, will be considered when determining the Applicant's entitlement for a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new Applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant

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contacting the Company regarding the completed construction of additional electric facilities. In addition, the Company will make a final refund determination four (4) years following the effective date of the Application and Agreement for Line Extension. Each contract year the Company will notify the Applicant by Certified Mail that a refundable deposit is outstanding and may be eligible for refund. Any refunded Advance Deposit shall not bear interest.

2. The Applicant may be entitled to a refund of any remaining Advance Deposit when four (4) years have passed from the effective date of the Application and Agreement, if the Company's Actual Revenue from the Applicant's account served during the first four (4) years by the line extension exceeds the Line Extension Allowance as originally determined and contracted for under Section 803.1.A. The amount eligible for refund to the Applicant shall be the amount by which Actual Revenue exceeds the Line Extension Allowance, if any. Refunds under this paragraph shall bear simple interest at the rate of seven (7) percent annually.

A Developer who has provided an Advance Deposit to extend electric service within a development will be entitled to a refund under 803.1.D.1 equal to the Line Extension Allowance of each new customer whose service is connected directly to the electric facilities that were partially financed by the Developer. A Developer will have their refund eligibility under 803.1.D.2 determined by the Actual Revenue received from the accounts established and directly served within the development as a result of the Developer's Application and Agreement for Line Extension.

Such refunds will be made only to the original Applicant if still receiving service at the same location. In no case shall the total refund to the Applicant exceed the amount of the Applicant's refundable Advance Deposit.

Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and become the property of the Company.

E. Residential Underground Extensions

1. The Company will:

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- a. Be responsible for the design and installation of facilities.
- b. Install, maintain, and own all primary and secondary conductors, padmount transformers, related electrical equipment, and PVC on the pole, if required.
- c. Cooperate in the joint use of trenches, where practical.
- d. Design the underground distribution facilities for a front-lot feed (from the street) to the residences.

2. The Applicant will:

- a. Provide the necessary easements as specified by the Company.
- b. Establish final grades and have sidewalks, curb and gutter, water, and sewer installed in the area prior to the installation of electric facilities.
- c. Provide all trenching to the Company specifications, washed sand or approved bedding, conduit when required, and backfill or any other restoration work required.
- d. The service lateral procedure will be as stated in 803.1.F.

F. Residential Underground Service Laterals

1. For a new house or where present service is inadequate (defined as a service lateral that has insufficient capacity, bare conductors or bad tree conditions),

The Applicant will:

- a. Provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill, or any other restoration work required.

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- b. Provide a service lateral location to be mutually agreed upon. The service lateral shall be of the shortest distance possible and shall avoid placement under future construction, such as buildings, walls, fences, or other possible hazardous areas.
- c. Provide a Company-approved meter receptacle with conduit down to twelve (12) inches below final grade. (C)

The Company will:

- a. Install, maintain, and own the underground service lateral from the secondary system to the meter receptacle, including PVC on the pole if required.
2. For an existing house with adequate overhead service:
- a. Same as 803.1.F.1.
 - b. The customer will advance a non-refundable contribution equal to the estimated cost (as determined by the Company) of the new underground service and removal of existing overhead service. The Company will give due credit for the salvage value of the existing overhead line.

803.2 – COMMERCIAL OR INDUSTRIAL SERVICE

- A. Company Financed Extensions – For commercial or industrial service the applicable Line Extension Allowance shall be four (4) times the estimated annual Revenue as set forth at 803.2.E. The Company will construct, without charge to the Applicant, a line extension for which the estimated construction cost does not exceed the Line Extension Allowance. The estimated construction cost shall be determined by the Company.

If at any time it is determined that the Applicant has misrepresented the information concerning its estimated annual revenue, the Company shall redetermine the applicable Line Extension Allowance. If the redetermined Line Extension Allowance is exceeded by the original estimated construction costs, the Applicant shall make a deposit with the Company. (C)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent

Effective Date: For service on and
after January 1, 2007

Director of Rates

004096



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 30
Replaces Original Revised Sheet No. 30

- B. Charges – Line extensions which are estimated to cost in excess of the Line Extension Allowance will require an Advance Deposit by the Applicant for all excess cost.
- C. Measurement – The length of any line extension will be measured along the route of the extension from the Company's nearest facilities from which the extension can be made to the point of transformation or last pole. Should the Company for its own reasons choose a longer route or require system improvement as part of the extension, the Applicant will not be charged for the additional distance or costs, however, if the Applicant requests special routing of the line extension, the Applicant will be required to make in advance of construction a non-refundable contribution to pay for the additional cost resulting from the special routing.
- D. Refunds – The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
1. The Applicant may be entitled to a refund of any remaining Advance Deposit if additional line extensions are constructed from the facilities that were partially financed by the Applicant. Only those Line Extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions, will be considered when determining the Applicant's entitlement for a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new Applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant contacting the Company regarding the completed construction of additional electric facilities. In addition, the Company will make a final refund determination four (4) years following the effective date of the Application and Agreement for Line Extension. Each contract year the Company will notify the Applicant by Certified Mail that a refundable deposit is outstanding and may be eligible for refund. Any refunded Advance Deposit shall not bear interest.
 2. The Applicant may be entitled to a refund of any remaining Advance Deposit when four (4) years have passed from the effective date of the Application and Agreement for Line Extension, if the Company's Actual Revenue during the first four (4) years from the Applicant's account(s) established under the Application and Agreement for Line Extension exceeds the original Line Extension Allowance. The amount eligible for refund shall be the amount by which Actual Revenue exceeds the Line Extension Allowance, if any. Refunds under this paragraph shall bear simple interest at the rate of seven (7) percent annually.

Such refunds will be made only to the original Applicant if still receiving service at the same location. In no case shall the total refund to the applicant exceed the amount of the Applicant's refundable Advance Deposit.

Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and becomes the property of the Company.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 31
Replaces Original Revised Sheet No. 31

- E. Method of Estimating Revenue – The estimated annual revenue shall be computed by the Company by applying the appropriate Rate Schedule to the monthly kWh (and kVA or kW if a factor in the rate schedule) of twelve (12) consecutive months estimated use of the prospective customer. (C)
- F. Commercial Underground Extension Procedure
1. The Applicant(s) will:
 - a. Provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill or any other restoration work required.
 - b. For padmount transformer installations the Applicant will also provide:
 - 1) Transformer pad per Company specifications.
 - 2) Service entrance conductors from the padmount location to the service entrance equipment.
 2. The Company will:
 - a. Install, maintain, and own all conductors up to the point of connection to the service entrance conductors.
- A. Travel-Trailer Parks – Those used mainly for tourist business with no platted streets. The underground will be installed, owned, and maintained by the travel-trailer park owner.

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By: Jacqueline A. Sargent
Director of Rates

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004098



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 32
Replaces Original Revised Sheet No. 32

804 – LINE EXTENSION CONSISTENCY

All service laterals added to existing underground distribution will be underground. All primary line extensions from existing underground distribution will be underground unless the Company and existing customers agree that an overhead line extension would not violate the consistency of the electric distribution facilities constructed or expected to be constructed. The Applicant shall be required to make an advance non-refundable contribution for the additional estimated construction cost of the overhead line extension.

805 – ROUTES AND RIGHTS-OF-WAY

The route of a line extension shall be selected by mutual agreement of the Applicant and the Company. The Applicant shall, without cost to the Company, make or procure satisfactory conveyance to the Company of right-of-way for the Company's lines necessary and incidental to the furnishing of electric service to the Applicant and for continuing, upgrading or extending said lines over and across the property owned or controlled by the Applicant. The Applicant shall, without cost to the Company, furnish a cleared right-of-way, and also grants to the Company for maintenance purposes, the right, as the Company may see fit, to cut, trim, or remove from said right-of-way any brush, trees, stumps, or roots.

806 – LINE EXTENSION LIMITS

In no event shall the Company be required to construct any line extension which, in its opinion, is not capable of further revenue development, or which requires special considerations because of unusual construction requirements, lack of reasonable assurance as to the permanent continuation of required Revenue, or any other unusual conditions.

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By: Jacqueline A. Sargent
Director of Rates

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004099



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 33
Replaces Original Revised Sheet No. 33

807 – CONTRACTS

The Company shall not be required to build an extension beyond the Line Extension Allowance until the prospective customer or customers have signed an acceptable contract guaranteeing to pay the minimum monthly charge as provided by the Rate Schedule under which service is requested for a period of not less than forty-eight (48) months, and the payment of any refundable Advance Deposit and/or non-refundable contribution for line extension construction required under this rule. If the premises to be served is occupied by a tenant or contract for deed holder, the Company may require the property owner to sign the contract.

808 – SERVICE EXTENSIONS TO LOADS OF QUESTIONABLE PERMANENCE

When service is requested for loads of questionable permanence, the Company will install, own, operate, and maintain all distribution facilities up to the point of attachment to the Applicant's service equipment subject to the following:

- A. Charges – Prior to commencement of construction, the Applicant shall make an advance payment to the Company in the amount of the Company's estimated construction costs. Such estimates shall include the entire cost of extending the Company distribution facilities and for increasing capacity of its existing facilities to serve the Applicant's electric load.
- B. Refunds – When such advances are made and when the electric service agreement provides for the refund of advance payments, such refunds will be made to existing customers as a credit equal to twenty percent (20%) of the previous month's billing applied to the current month's billing until the total advance payment is repaid or five (5) years has expired, whichever occurs first.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

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004100



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 34
Replaces Original Revised Sheet No. 34

809 - TAX ADJUSTMENTS

- A. Gross Receipts – Charges computed under this Section 800 will be increased by the applicable proportionate part of any assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue or gross receipts.
- B. Excise Tax – Refundable advance deposits are not subject to state and local sales tax and sales tax is not to be included in the calculation of the refundable portion of an Applicant's contribution. Excise tax at the rate of two (2) percent is applicable to all non-refundable contributions required by this Section 800.
- C. Federal Income Tax – Non-refundable contributions are subject to federal income tax at the time of receipt. As such, non-refundable contributions will be adjusted for the federal income tax resulting from the non-refundable contribution less the net present value of any future tax benefits the Company expects as a result of the construction of the requested facilities for which the non-refundable contribution is being made.

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By: Jacqueline A. Sargent

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Director of Rates

004101



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 1
Replaces Second Revised Sheet No. 1



NEW CUSTOMER QUESTION LIST

(C)

DATE OF REQUEST _____ NAME OF REQUESTER _____ PROJECT NAME _____

NAME OF PROPERTY OWNER(S) _____

PHYSICAL LOCATION OF SERVICE _____

MAILING ADDRESS OF SERVICE _____, SD, _____
STREET CITY ZIP

RANGE _____ TOWNSHIP _____ SECTION ¼ SECTION _____ DESCRIBED PROPERTY _____

SUBDIVISION NAME _____ LOT/BLOCK NUMBER(S) _____

MAILING ADDRESS OF OWNER _____, SD, _____
STREET CITY ZIP

PHONE NUMBERS OF OWNER _____
CELL HOME/BUSINESS WORK

ADJACENT LAND OWNERS POWER WILL CROSS: (Please provide copies of all Plats and deeds)

NAME _____ ADDRESS _____ PHONE _____

NAME _____ ADDRESS _____ PHONE _____

NAME _____ ADDRESS _____ PHONE _____

NAME OF ELECTRICIAN _____ PHONE NUMBER OF ELECTRICIAN _____

NAME OF CONTRACTOR _____ PHONE NUMBER OF CONTRACTOR _____

NAME OF TRENCHER _____ PHONE NUMBER OF TRENCHER _____

DATE ESTIMATE IS NEEDED BY _____ DATE SERVICE NEEDED BY _____

CIRCLE ONE → RESIDENTIAL OR COMMERCIAL PERMANENT OR TEMPORARY HOME GAS OR TOTAL ELECTRIC

MAIN PANEL SIZE _____ MAIN PANEL VOLTAGE _____

DATE AND TIME TO MEET AT SITE: _____

COMMENTS/CONTACTS/HISTORY _____

Note: Please call the BHP Business Office _____ to set up billing information on new service. The Business office will ask you to provide a letter of credit from your previous power provider or a deposit equal to two months revenue. All Temporary Construction Services will be charged the direct costs incurred for temporary connection and disconnection.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

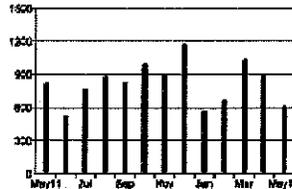
Section No. 6
Eighth Revised Sheet No. 2
Cancels Seventh Revised Sheet No. 2



PO BOX 6001
RAPID CITY SD 57709-6001

Customer Service: 1-800-742-8946 | 24-Hour Emergency: 1-800-839-3197 | Email: custserv@blackhillscorp.com | www.blackhillspower.com

Your electric use at a glance (in kWh)
for 123 PARK PLACE RAPID CITY, SD
Meter BHP987654



	Days	kWh/Day	Cost/Day
This Month	30	29.23	\$3.59
Last Month	31	37.03	\$3.33
Last Year	29	28.38	\$3.37

Account Number: 1234 5678 90
Service For: MIKE SMITH
Billing Date: May 04, 2012

Current Month Charges Due May 24, 2012	77.39
Total This Bill	\$77.39

Your Account Summary (see following pages for details)

Previous Bill Total	\$109.86
Payments	THANK YOU 109.86 CR
Balance Forward	0.00
Current Month Charges Electric Service	77.39
Total This Bill	\$77.39

Your bill just got a makeover! Your bill now includes an easier-to-read summary, corresponding detail on the back, and a graph that shows current and historical usage at a glance. Visit our website for more information on how to read your bill.

A total of \$78.55 is due if full payment is not received by 05/31/2012.

Black Hills Cares helps eligible customers meet energy needs through voluntary tax-deductible donations. To give, please mark your payment stub with the monthly amount you wish to be billed, or donate when it's convenient for you. BHP matches your donation. Visit our website to learn more.



PO BOX 6001
RAPID CITY SD 57709-6001

MIKE SMITH
123 PARK PLACE
RAPID CITY SD 57701-0123

BLACK HILLS POWER
PO BOX 6001
RAPID CITY SD 57709-6001

0022788001000000077855000000077399306

Account Number: 1234 5678 90

Current Month Charges Due May 24, 2012	77.39
Total This Bill	\$77.39

Make checks payable to: Black Hills Power

For Black Hills Cares easy enrollment, select a monthly donation to be included in future bills or a one-time donation included with payment for this bill:

\$5
 \$10
 \$20
 Other \$ _____
 One-time \$ _____


 Save money.


 Save time.


 Save paper.

Use eBill for convenient, secure, paperless billing and online payments.
Sign up online today!
www.blackhillspower.com

Date Filed: May 31, 2012

By: Chris Kilpatrick
Director of Resource Planning
and Rates

Effective Date: July 3, 2012



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Seventh Revised Sheet No. 3
Cancels Sixth Revised Sheet No. 3

Account Number: 1234.5678 90 Page 2

Details of Current Charges – Electric Service for 123 PARK PL RAPID CITY, SD

Rate Code 10 (SD710)		Billing details for 04/03/12 - 05/03/12, 30 days.	
Meter Number: BHP987654		Customer Charge	6.25
Reading	05/03/12 10752	Energy Charge 507 kWh @ \$0.102	51.91
Reading	04/03/12 10145	Cost Adjustment Summary	2.85
	30 days 607 Kilowatt Hours (kWh)	City Sales Tax \$73.01 @ 2%	1.46
Your average daily usage was	20.23 kWh	State Sales Tax \$73.01 @ 4%	2.92
Last year this period it was	28.38 kWh	Total charge this service	\$77.39

Payments	
04/24/2012	109.86 CR
Total Payments	\$109.86 CR

Important Information

If you disagree with any part of this bill please pay the undisputed amount by the due date and contact us. If we cannot agree on an amount to be paid, you may then contact the Public Utilities Commission for appeal and mediation at 500 East Capitol Ave, Pierre SD 57501 or 605-773-3201.

For a complete description of terms and fees on your bill, please visit www.blackhillspower.com

To enroll in our Automatic Bank Transfer program for electronic payments or to update your mailing address, access your account at www.blackhillspower.com. Updates are quick, easy, and secure!



Date Filed: May 31, 2012

By: Chris Kilpatrick
Director of Resource Planning and Rates

Effective Date: July 3, 2012



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Seventh Revised Sheet No. 4
Cancels Sixth Revised Sheet No. 4



Black Hills Power
Improving the way we power

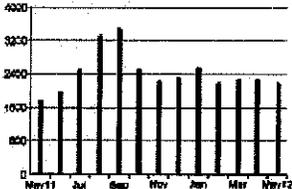
PO BOX 6001
RAPID CITY SD 57702-9001

Account Number: 1234 5678 90
Service For: MIKES BUSINESS
Billing Date: May 04, 2012

Current Month Charges Due May 24, 2012	328.05
Total This Bill	\$328.05

Customer Service: 1-800-742-8946 | 24-Hour Emergency: 1-800-639-8197 | Email: custserv@blackhillscorp.com | www.blackhillspower.com

Your electric use at a glance (in kWh)
for 123 PARK PLACE, RAPID CITY, SD
Meter BHP12312345



	Days	kWh/Day	Cost/Day
This Month	30	73.33	\$18.54
Last Month	32	71.25	\$18.44
Last Year	29	68.69	\$9.21

Your Account Summary (see following pages for details)

Previous Bill Total	\$333.84
Payments	THANK YOU 333.84 CR
Balance Forward	0.00
Current Month Charges	
Electric Service	328.05
Total This Bill	\$328.05

Your bill just got a makeover! Your bill now includes an easier-to-read summary, corresponding detail on the back, and a graph that shows current and historical usage at a glance. Visit our website for more information on how to read your bill.

A total of \$332.97 is due if full payment is not received by 05/31/2012.

Black Hills Cares helps eligible customers meet energy needs through voluntary tax-deductible donations. To give, please mark your payment stub with the monthly amount you wish to be billed, or donate when it's convenient for you. BHP matches your donation. Visit our website to learn more.



PO BOX 6001
RAPID CITY SD 57702-9001

MIKES BUSINESS
123 PARK PLACE
RAPID CITY SD 57703-0123

BLACK HILLS POWER
PO BOX 6001
RAPID CITY SD 57702-9001

006946226700000033297000000328050306

Account Number: 1234 5678 90

Current Month Charges Due May 24, 2012	328.05
Total This Bill	\$328.05

Make checks payable to: Black Hills Power

For Black Hills Cares easy enrollment, select a monthly donation to be included in future bills or a one-time donation included with payment for this bill:

\$5 \$10 \$20 Other \$ One-time \$


 Save money.


 Save time.


 Save paper.

Use bill for convenient, secure, paperless billing and online payments
Sign up online today!
www.blackhillspower.com

Date Filed: May 31, 2012

By: Chris Kilpatrick
Director of Resource Planning and Rates

Effective Date: July 3, 2012



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Sixth Revised Sheet No. 5
Cancels Fifth Revised Sheet No. 5

Account Number: 1234 5678 90 Page 2

Details of Current Charges – Electric Service for 123 PARK PLACE/RAPID CITY, SD

Rate Code 20 (SD720)

Meter Number: BHP12312345

Kilowatt Hours

Reading	05/03/12	994
Reading	04/03/12	939
	30 days	55 Kilowatt Hours (KWh)
		x .40 Multiplier
		2200 Kilowatt Hours (KWh)
Your average daily usage was		73.33 KWh
Last year this period it was		60.69 KWh

Capacity Charge

Reading	05/03/12	0.36 Kilowatt (kW)
		x .40 Multiplier
		14.40 Kilowatt (kW)
Billing Capacity		14.4 Kilowatt (kW)

Billing details for 04/03/12 - 05/03/12, 30 days.

Customer Charge	11.00
Capacity Charge 5 kW @ \$0.00	0.00
Capacity Charge 9.4 kW @ \$6.40	60.16
Energy Charge 1,000 kWh @ \$0.1105	110.50
Energy Charge 1,200 kWh @ \$0.0955	114.55
Cost Adjustment Summary	12.76
City Sales Tax \$309.46 @ 2%	6.19
State Sales Tax \$309.46 @ 4%	12.38
Total charge this service	\$328.05

Payments

04/12/2012	333.94 CR
Total Payments	\$333.94 CR

Important Information

If you disagree with any part of this bill please pay the undisputed amount by the due date and contact us. If we cannot agree on an amount to be paid, you may then contact the Public Utilities Commission for appeal and mediation at 500 East Capitol Ave, Pierre SD 57501 or 605-773-3201.

For a complete description of terms and fees on your bill, please visit www.blackhillspower.com

To enroll in our Automatic Bank Transfer program for electronic payments or to update your mailing address, access your account at www.blackhillspower.com. Updates are quick, easy, and secure!



Date Filed: May 31, 2012

By: Chris Kilpatrick
Director of Resource Planning and Rates

Effective Date: July 3, 2012



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 7
Replaces Second Revised Sheet No. 7

ELECTRIC POWER SERVICE CONTRACT (TYPE #1)
State Of South Dakota

Contract Number _____
Effective Date _____

THIS CONTRACT, made between Black Hills Power, Inc. (hereinafter referred to as "Company"),
and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements
hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its facility, located at _____. Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at a nominal voltage of _____ volts.
2. Company Facilities & Contract Capacity. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arresters, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be at _____. Such facilities of Company shall be of sufficient capacity to satisfy a demand by Customer of _____ (kilovolt amperes) of electric power, which shall constitute the Contract Demand hereunder. Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase, and adjustment in Contract Demand shall be made accordingly.
3. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.
5. Terms. The initial term of this Agreement shall commence on _____, 20____, and shall extend for a period of not less than _____ years, and if not then terminated by at least - _____ months prior written notice by either party, the contract shall continue until so terminated. (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 8
Replaces First Revised Sheet No. 8

6. Payment. Company shall bill, and the Customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefore, pursuant to the Company's _____ electric rate schedule, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and the Customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.
7. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.
8. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service. Minimum and demand charges in said rate schedule shall be prorated should Customer be prevented from taking energy for a period in excess of forty-eight (48) hours occasioned by the occurrence of any of the above events to the Company's system.
9. Liability And Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
10. Disconnect. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.

(C)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004109



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 9
Replaces Second Revised Sheet No. 9

- 11. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 12. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its facility located at and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this _____ day of _____, 20____, binding and extending to their successors and assigns.

Black Hills Power, Inc.

By: _____ By: _____

Title: _____ Title: _____ (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 10
Replaces Second Revised Sheet No. 10

Electric Power Service Contract (Type #2)
State of South Dakota

Contract Number _____
Effective Date _____

THIS CONTRACT, made between BLACK HILLS POWER, INC. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its facility, located at _____. Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at a nominal voltage of _____ volts. (T)
2. Company Facilities & Contract Capacity. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arrestors, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be at _____. Such facilities of Company shall be of sufficient capacity to satisfy a demand by Customer of _____ (kilowatts) (kilovolt amperes) of electric power, which shall constitute the Contract Demand hereunder. Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase, and adjustment in Contract Demand shall be made accordingly.
3. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.
5. Terms. The effective date of this contract shall be _____, 20____, and shall continue for a period of not less than _____ years, and if not then terminated by at least _____ months prior written notice by either party, shall continue until so terminated. (T)

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 11
Replaces First Revised Sheet No. 11

- (C)
6. Payment. Company shall bill, and the customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefor, pursuant to the Company's electric rate schedule ____, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and the customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.
 7. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.
 8. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service. Minimum and demand charges in said rate schedule shall be prorated should Customer be prevented from taking energy for a period in excess of forty-eight (48) hours occasioned by the occurrence of any of the above events to the Company's system.
 9. Liability and Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
 10. Disconnect. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004112



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 12
Replaces Second Revised Sheet No. 12

- 11. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 12. Advance Payment. In consideration thereof, Customer agrees to advance to Company for the location and installation of the above named facilities the sum of _____, and it is understood and agreed that this advance payment does not entitle Customer to an interest in or lien upon the above mentioned facilities.
- 13. Refund of Advanced Payment. It is further understood and agreed that Customer, its successors or assigns will receive from the Company, as refund on said amount of _____ paid and to be paid under this Agreement, a credit each month equal to 20% of Customer's bill for the previous month for electric power and energy supplied pursuant to this Agreement for and during a period of five (5) years from the effective date of this Agreement, or for such lesser period of time as will be required to refund the said amount paid, no refund to be made; however, after five (5) years from the effective date of this Agreement.
- 14. Payment of Services. It is further understood and agreed that the sums to be paid by Customer under the terms of this Agreement do not and shall not constitute or be considered as a deposit or guarantee for service, and should Customer, its successors or assigns, fail to pay for service furnished by the Company, and otherwise to conform to and abide by the Rules and Regulations of the Company, the Company shall have the right without notice or demand to discontinue the furnishing of such service until the defaults in the payments of monthly bills have been fully removed and all payments due the Company have been paid in full.
- 15. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its _____ located at _____ and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this _____ day of _____, 20__, binding and extending to their successors and assigns.

BLACK HILLS POWER, INC.

By: _____

By: _____

Title: _____

Title: _____

(T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 13
Replaces First Revised Sheet No. 13

IRRIGATION PUMPING CONTRACT

State of South Dakota

Contract Number _____

Effective Date _____

(C)

THIS CONTRACT, made between BLACK HILLS POWER, INC. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its Irrigation Pumping Station, located in

Such power and energy shall be _____ Phase, alternating current, approximately 60 hertz, at a nominal voltage of _____ volts.

2. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arrester, meter, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be . Such facilities of Company shall be of sufficient capacity to satisfy a demand by Customer of (horsepower) of electric power. Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase.
3. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of points of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property, and it shall have the right to inspect, repair or remove the same.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 14
Replaces Second Revised Sheet No. 14

Irrigation Pumping Contract (Type #1 continued)

(C)

5. Company shall bill, and the Customer shall pay for all electric power and energy supplied hereunder pursuant to the rates, charges, terms and conditions set forth in the Irrigation Pumping Schedule as attached hereto, and made a part hereof and upon all other terms and conditions set forth in this Agreement. The net annual charge as determined pursuant to Schedule _____ shall be (plus applicable tax), and one-third (1/3) thereof shall be due and payable in each of the billing months of April, May and June of each calendar year. Bills rendered for energy charges shall be due and payable when received. It is understood that the initial basis for charges pursuant to this Contract as above referred to may be revised by the Company from time to time, and the Customer agrees that should the Company, during the term of this Contract, revise or eliminate the schedule of rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this Contract thereafter. Customer shall be notified promptly of any such revision or elimination.
6. In the event that any bill for electric service is not paid in accordance with payment provisions set forth herein, Company may suspend the supply of power and energy or cancel this Contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the Contract or from liability for damages because of any breach hereof.
7. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident, or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service.
8. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and Customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
9. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after written notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this Contract.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004115



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Fourth Revised Sheet No. 15
Replaces Third Revised Sheet No. 15

Irrigation Pumping Contract (Type #1 continued)

- 10. The provisions of this Contract shall not be changed except by writing duly signed by Company and Customer. However, the Contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.

- 11. The effective date of this Contract shall be _____, and shall continue for a period of _____ year(s) and thereafter until terminated by either party giving the other not less than thirty (30) days' written notice.

ACCORDINGLY, the parties hereto have executed this Contract in duplicate this _____ day of _____, 20__, binding and extending to their successors and assigns.

By: _____ By: _____

Title: _____ Title: _____ (T)

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 16
Replaces Second Revised Sheet No. 16

ELECTRIC POWER SERVICE CONTRACT
State Of South Dakota

Contract Number _____
Effective Date _____

(C)

THIS CONTRACT, made between Black Hills Power, Inc. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's **qualified energy storage equipment** installed or to be installed by it at its facility, located at _____. Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at a nominal voltage of _____ volts.
2. Company Facilities & Contract Capacity. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arresters, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be at _____. Such facilities of Company shall be of sufficient capacity to satisfy a **maximum On-Peak demand** by Customer of _____ (kilowatts) of electric power, which shall constitute the **Partial Storage Demand Limit** hereunder. **Customer has elected the _____ option under the Energy Storage Service schedule.**
3. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.
5. Terms. The initial term of this Agreement shall commence on _____, 20____, and shall extend for a period of not less than three years, and if not then terminated by at least twelve months prior written notice by either party, the contract shall continue until so terminated.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 17
Replaces Second Revised Sheet No. 17

Energy Storage Service Contract (continued)

(C)

6. Payment. Company shall bill, and the Customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefore, pursuant to the Company's Energy Storage Service electric rate schedule, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and the Customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.
7. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.
8. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service. Minimum and demand charges in said rate schedule shall be prorated should Customer be prevented from taking energy for a period in excess of forty-eight (48) hours occasioned by the occurrence of any of the above events to the Company's system.
9. Liability And Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
10. Disconnect. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004118



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Fourth Revised Sheet No. 18
Replaces Third Revised Sheet No. 18

Energy Storage Service Contract (continued)

- 11. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 12. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its facility located at and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this _____ day of _____, 20____, binding and extending to their successors and assigns.

Black Hills Power, Inc.

By: _____ By: _____

Title: _____ Title: _____ (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 19
Replaces Second Revised Sheet No. 19

<p>Budget Billing Plan If your electric bills fluctuate with the seasons, you should check into Black Hills Power's Budget Billing Plan. By averaging your high and low bills, your monthly payment remains constant, with only minor changes from month to month. This program helps even out the peaks and valleys in energy use and makes it easier on your budget.</p>	<p>Pay In Person You may pay your bill in person at any BHP Customer Service office during regular business hours, or use the convenient drop box located at each office.</p>	<p>Make Your Life Easier! Complete, sign and mail this form to Black Hills Power, PO Box 6006, Rapid City, SD 57709.</p> <p>YES! Sign me up for the following:</p> <p><input type="checkbox"/> Budget Billing</p> <p><input type="checkbox"/> Paid By Bank</p> <p><input type="checkbox"/> I have enclosed a voided check, or a photocopy, for verification of my bank account number</p>
<p>Paid By Bank - Automatically With your authorization, the exact amount of your bill can be automatically withdrawn from your savings or checking account each month on its due date. In the event you have a question about your bill, you have a 10-day period to stop the payment withdrawal.</p>	<p>Belle Fourche 620 State St. Belle Fourche, SD 57717 605-723-2460</p> <p>Custer 447 Mt. Rushmore Rd. Custer, SD 57730 605-673-4455</p> <p>Deadwood 425 Cliff St. Deadwood, SD 57732 605-722-2420</p>	<p>Rapid City 409 Deadwood Ave. Rapid City, SD 57702 605-721-2660</p> <p>Spearfish 145 E. Hudson St. Spearfish, SD 57783 605-722-2400</p>
<p>Paid Online Black Hills Power offers you a quick, reliable way to pay your bill with our online SpeedPay option. You can make your monthly payment with a check or credit card (Visa, Mastercard or Discover) online for a Western Union service fee. The fee for residential customers is \$3.95 per \$1,000 transaction. The fee for commercial customers is \$9.95 per \$2,000 transaction.</p>	<p>Hot Springs 401 N. River St. Hot Springs, SD 57747 605-746-3120</p> <p>Newell 121 3rd St. Newell, SD 57760 605-456-2896</p>	<p>Sturgis 1080 Main St. Sturgis, SD 57785 605-720-2140</p> <p>Newcastle 333 West Main Newcastle, WY 82701 307-746-2726</p>
<p>Pay By Phone To pay your bill by phone using our SpeedPay service, call the toll-free number at 1-866-499-3942. SpeedPay allows you to pay your monthly bill with a check or credit card (Visa, Mastercard or Discover) over the phone for a Western Union service. The fee for residential customers is \$3.95 per \$1,000 transaction. The fee for commercial customers is \$9.95 per \$2,000 transaction.</p>	<p>Pay By Mail You can mail your payment to Black Hills Power using the convenient two-way envelope that your bill comes in, or you can mail your bill to: Black Hills Power PO Box 1440 Rapid City, SD 57709</p>	<p>Customer Information</p> <p>Name: _____</p> <p>Account Number: _____</p> <p>Service Address: _____</p> <p>City: _____</p> <p>State: _____ Zip: _____</p> <p>Home Phone: _____</p> <p>Work Phone: _____</p> <p>E-mail: _____</p> <p>Signature: _____</p>
	<p>Pay At Your Bank You may pay at most banking institutions in the Black Hills area by presenting your payment stub at the time of payment.</p>	

Date Filed: June 30, 2009

By: Chris Kilpatrick
Director of Rates

Effective Date: For service on
and after August 1, 2009



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 20
Replaces First Revised Sheet No. 20



BHLP COPY

Nº 801243

**RESIDENTIAL ELECTRIC SERVICE
GUARANTEE CONTRACT**

DATE

IN THE AMOUNT OF \$ _____

(C)

In consideration of Black Hills Power, Inc. ("Company"), not requiring a deposit to establish satisfactory credit for the payment of electric utility service, I, ("Guarantor"), do hereby guarantee payment to the Company for all sums and accounts which shall hereinafter become due or payable to the Company for electric service furnished by the Company to ("Customer"), as shown and indicated by this agreement and the books and accounts of the Company.

This contract shall automatically terminate upon the happening of either of the following:

- (a) After the Customer establishes satisfactory credit under the provisions of Section 20:10:19:11 of the Administrative Rules of The South Dakota Public Utilities Commission; or
- (b) After 60 days written notice is given by the Guarantor to the Company.

The Company shall notify the Guarantor by first class mail to the Guarantor's address as set forth herein when a disconnect notice has been sent to

CUSTOMER'S ELECTRIC ACCOUNT NUMBER

CUSTOMER'S NAME

CUSTOMER'S SERVICE ADDRESS

CITY, STATE & ZIP CODE

GUARANTOR'S NAME

MAILING ADDRESS

CITY, STATE & ZIP CODE

GUARANTOR'S SIGNATURE

BHLP FORM # 7

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004121



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 21
Replaces First Revised Sheet No. 21

BLACK HILLS POWER, INC.
APPLICATION FOR PRIVATE OR PUBLIC AREA/OR FLOODLIGHTING SERVICE

(C)

STATE OF South Dakota DATE 15 JULY, 2002

[1] THE UNDERSIGNED CUSTOMER REQUESTS BLACK HILLS POWER, INC. TO SUPPLY
PRIVATE OR PUBLIC AREA AND/OR FLOODLIGHTING, TO BE LOCATED AT:

[NAME]	[ADDRESS]	[CITY]
AS FOLLOWS:		
<u>PAL LIGHTS</u>		
<u>NUMBER</u>	<u>TYPE</u>	<u>MONTHLY RATE PER UNIT</u>
_____	9,500 LUMEN HPS (100W HPS)	_____
_____	27,500 LUMEN HPS (250W HPS)	_____
_____	SPECIAL INSTALLATION CHARGE	_____
<u>FLOODLIGHTS</u>		
_____	27,000 LUMEN HPS (250W HPS)	_____
_____	50,000 LUMEN HPS (400W HPS)	_____
_____	SPECIAL INSTALLATION CHARGE	_____
TOTAL MONTHLY CHARGE		<u>\$0.00</u>
(PLUS APPLICABLE SALES TAXES)		

- [2] CUSTOMER UNDERSTANDS THAT ACCEPTANCE OF THIS REQUEST BY THE COMPANY SHALL BE EVIDENCE BY THE INSTALLATION OF THE ABOVE LIGHTING SERVICE. SERVICE SHALL CONTINUE IN EFFECT FOR **2 YEARS** FROM THE DATE ABOVE AND THEREAFTER UNTIL TERMINATED BY EITHER PARTY UPON WRITTEN NOTICE. BILLING AND PAYMENT SHALL NOT BEGIN UNTIL THE LIGHTING IS INSTALLED.
- [3] THE FACILITIES INSTALLED BY THE COMPANY IN PERFORMANCE OF THIS REQUEST SHALL REMAIN THE PROPERTY OF THE COMPANY, AND CUSTOMER HEREBY GRANTS TO THE COMPANY THE RIGHT TO ENTER THE CUSTOMER'S PREMISES AS NECESSARY FOR THE INSTALLATION, MAINTENANCE AND AND REMOVAL OF SUCH FACILITIES.
- [4] THE CUSTOMER AGREES TO PROVIDE OR SECURE, WITHOUT COST TO THE COMPANY, ALL NECESSARY RIGHT-OF-WAY PERMITS AND/OR EASEMENTS (INCLUDING RAILROAD AND FOREST SERVICE PERMITS).
- [5] COMPANY WILL REPLACE BURNED-OUT LAMPS AND OTHERWISE MAINTAIN THE FACILITIES DURING REGULARLY SCHEDULED DAYTIME WORKING HOURS AS SOON AS PRACTICABLE FOLLOWING NOTIFICATION BY THE CUSTOMER. REPLACEMENT OF BREAKAGE FOR ANY REASON SHALL BE CHARGED TO THE CUSTOMER AT COMPANY'S COST.
- [6] THIS REQUEST SHALL BE SUBJECT TO ALL APPLICABLE RULES AND VALID ORDERS OF LEGALLY CONSTITUTED REGULATORY AUTHORITIES HAVING JURISDICTION, AND TO APPLICABLE RULES AND REGULATIONS OF THE COMPANY AND TO THE TERMS OF THIS REQUEST, INCLUDING THE RATE SCHEDULES AND PROVISIONS THEREOF, ARE SUBJECT TO MODIFICATION FROM TIME TO TIME TO CONFORM TO ANY CHANGE MADE BY THE COMPANY IN THE RATES, RULES AND REGULATION APPLICABLE TO THE SERVICE RENDERED HEREUNDER. A COPY OF THIS SCHEDULE IS HEREBY ACKNOWLEDGED AS HAVING BEEN RECEIVED.

BLACK HILLS POWER, INC

CUSTOMER

[MAILING ADDRESS] [ZIP]

BY: _____
TITLE: LINE SERVICE SUPERVISOR

BHP&L FORM #321

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 22
Replaces First Revised Sheet No. 22

**Residential
Customer
Information
Booklet**

(C)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004123



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 23
Replaces Original Sheet No. 23

District _____
W.O.# _____

(C)

BLACK HILLS POWER, INC.
Application and Agreement for Electric Service Extension
State of South Dakota

Contract Number _____
Effective Date _____

Black Hills Power, Inc. (the Company) and the "Applicant"

Applicants: _____
Address _____ City _____ Zip _____

Agree as follows:

(1) The Company will install and furnish electric serve for the Customer at for a new _____ located in _____ in accordance with rates and extension rules on file with the South Dakota Public Utilities Commission.

(2) The Applicant agrees to accept service under the following rate schedule _____ or if eliminated, the most economical and applicable remaining rate schedule for a period of not less than forty-eight (48) months from the date of initial service. That Annual Revenue from service to the Applicant as determined under Section 800 Line Extensions of the Company's Tariffs is \$ 0.00 resulting in a Line Extension Allowance of \$0.00 of Company financed facilities (cost estimate attached).

If it is determined at any time subsequent to execution of this Application that the Applicant has changed the nature of his/her electrical service, the Line Extension Allowance shall be adjusted accordingly, which may result in a charge to the Applicant, if the construction costs exceed the correct Line Extension Allowance.

(3) If applicable, the Applicant agrees to pay to the Company, prior to construction facilities:
(a) A refundable Advance Deposit subject to the rules filed by the Company for the cost of extending electric facilities beyond the Line Extension Allowance determined at (2) above. \$ _____

(4) The Applicant shall, without cost to the Company, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to Customer and for continuing, upgrading or extending said lines over and across the property owned or controlled by Applicant.

(5) The Applicant shall, without cost to the Company, furnish a cleared right-of-way, and also grants to the Company for maintenance purposes, the right, as the Company may see fit, to cut, trim, or remove from said right-of-way any brush, trees, stumps, or roots.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 24
Replaces Original Sheet No. 24

Application and Agreement for Electric Service Extension (continued)

(C)

- (6) For underground line extensions and service laterals the Applicant will provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill, or any other restoration work required.
- (7) The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
 - (a) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (3) if additional extensions are constructed from the electric facilities requested herein. Only those line extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions and be considered when determining the Applicant's entitlement of a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant contacting the Company regarding the construction of additional electric facilities. The refunded Advance Deposit shall not bear interest.
 - (b) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (3) if the actual revenue from the Applicant's account(s) served during the first four (4) years as a result of this application exceeds the Line Extension Allowance. The refunded Advance Deposit shall bear simple interest at the rate of seven (7) percent annually.

Refunds will be made only to the Applicant if still receiving service at the same location. Eligibility for refunds under (a) above is limited to four (4) years from the effective date of this agreement. Eligibility for refunds under (b) above is determined four (4) years from the effective date of this agreement. In no case shall the total refund to the Applicant exceed the amount of the Advance Deposit. Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and become the property of the Company.

- (8) The refundable Advance Deposit or any portion thereof shall not be assignable by the Applicant. Payments of such refundable Advance Deposit shall continue to be made when due to the Applicant notwithstanding a transfer of the place to which electric service was extended.

Applicant

Black Hills Power Inc.

Accepted by:

Date _____

Date _____

Copies: Applicant
Property
G.O. Contract file
District Office

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 25
Replaces Original Sheet No. 25

District _____
W.O.# _____

(C)

BLACK HILLS POWER, INC.
Optional Seasonal Use
Application and Agreement for Electric Service Extension
State of South Dakota

Black Hills Power, Inc. (the Company) and the "Applicant" _____ Address _____
City _____ Zip _____ Agree _____

as follows:

- (1) The Company will install and furnish electric serve for the Customer at _____ in accordance with rates and extension rules on file with the South Dakota Public Utilities Commission.
- (2) Applicant has elected this option in place of the seasonal line extension allowance of \$1,000 or a demonstration to the Company's satisfaction that the Applicant's residence to be served is a Permanent Year-Round Dwelling. A Permanent Year-Round Dwelling being the residence which includes a well or water hook-up, sewer or septic-system, automatic heating system and is otherwise likely to be inhabited year-round
- (3) The Applicant agrees to accept service under the following rate schedule _____ or if eliminated, the most economical and applicable remaining rate schedule for a period of not less than ninety-six (96) months from the date of initial service. That Annual Revenue from service to the Applicant as determined under Section 800 Line Extensions of the Company's Tariffs is \$ _____ resulting in a Line Extension Allowance of \$ _____ of Company financed facilities (cost estimate attached). The Applicant further agrees to pay a minimum of the annual Revenue amount each year, regardless of electrical consumption, for a period of eight years from the date of this agreement.

If it is determined at any time subsequent to execution of this Application that the Applicant has changed the nature of his/her electrical service, the Line Extension Allowance shall be adjusted accordingly, which may result in a charge to the Applicant, if the construction costs exceed the correct Line Extension Allowance.
- (4) If applicable, the Applicant agrees to pay to the Company, prior to construction facilities:
 - (b) A refundable Advance Deposit subject to the rules filed by the Company for the cost of extending electric facilities beyond the Line Extension Allowance determined at (3) above. \$ _____
- (5) The Applicant shall, without cost to the Company, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to Customer and for continuing, upgrading or extending said lines over and across the property owned or controlled by Applicant.
- (6) The Applicant shall, without cost to the Company, furnish a cleared right-of-way, and also grants to the Company for maintenance purposes, the right, as the Company may see fit, to cut, trim, or remove from said right-of-way any brush, trees, stumps, or roots.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 26
Replaces Original Sheet No. 26

Optional Seasonal Use Application and Agreement for Electric Service Extension (continued)

(C)

- (7) For underground line extensions and service laterals the Applicant will provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill, or any other restoration work required.
- (8) The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
 - (a) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (4) if additional extensions are constructed from the electric facilities requested herein. Only those line extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions and be considered when determining the Applicant's entitlement of a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant contacting the Company regarding the construction of additional electric facilities. The refunded Advance Deposit shall not bear interest.
 - (b) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (4) if the actual revenue from the Applicant's account(s) served during the first four (4) years as a result of this application exceeds the Line Extension Allowance. The refunded Advance Deposit shall bear simple interest at the rate of seven (7) percent annually.
- (9) The refundable Advance Deposit or any portion thereof shall not be assignable by the Applicant. Payments of such refundable Advance Deposit shall continue to be made when due to the Applicant notwithstanding a transfer of the place to which electric service was extended.

Applicant

Black Hills Power, Inc.
Accepted by:

Date _____

Date _____

Copies: Applicant
Property
G.O. Contract file
District Office

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 27
Replaces First Revised Sheet No. 27

ELECTRIC POWER SERVICE CONTRACT
COMBINED ACCOUNT BILLING
State Of South Dakota

Contract Number _____
Effective Date _____

THIS CONTRACT, made between Black Hills Power, Inc. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its multiple service locations described in Exhibit "A". Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at the nominal voltages listed in Exhibit "A".
2. Company Facilities. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arresters, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the points of delivery as described in Exhibit "A". Such facilities of Company shall be of sufficient capacity to satisfy an electric power demand by Customer at each service location as listed in Exhibit "A". Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase.
3. Combined Account Billing. Customer has elected the "Combined Account Billing" option of the General Service Large rate schedule. The Combined Account Billing option applies to any single natural person, partnership, limited liability company, corporation, or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts at multiple service locations. Each Single Customer account currently billed on Company's General Service Large rate tariff must be converted to the Combined Account Billing rate tariff. Single Customer accounts approaching a size and character that would qualify for Company's General Service Large rate tariff will be considered by the Company for Combined Account Billing on a case-by-case basis. Single Customer's energy use (kWh), reactive energy use (kVARh) and peak demand (kW), for each service, will be added together and the combined totals will be used in calculating the Single Customer's electric bill. Single Customer agrees to pay a "Combined Account" service charge, as defined in the GLC rate tariff, each month to cover the administration, billing and metering of the account.
4. Coincident Demand and Energy Billing. Upon mutual agreement between Customer and Company, Company agrees to install metering equipment, within five (5) years of the effective date of this contract, that will allow the peak demands and energy for each account to be added on a coincident basis. (T)
5. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 28
Replaces First Revised Sheet No. 28

Combined Account Billing for Electric Service Extension (continued)

6. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.

7. Terms. The effective date of this Agreement shall be _____, ____, and shall continue for a period of not less than three years and shall thereafter continue as long as the Company has the exclusive legal right to serve the customer. At such time as the Customer has the current legal right to receive or request delivery of its electric power from an alternative energy supplier under terms and conditions which are not subject to the jurisdiction of the South Dakota Public Utilities Commission ("Customer Choice"), then the Customer may request that the Company meet the terms of a Bona Fide Offer, as defined below, from any alternative energy supplier. In order to qualify as a Bona Fide Offer, the initial term must be at least six (6) months. Customer shall provide Company its request for proposal at least two weeks prior to the deadline for receiving bids for electric power from alternative energy suppliers. Upon Customer's selection of the bid winner ("Bona Fide Offer"), Customer shall supply to Company the terms and conditions of the Bona Fide Offer and other information which may be pertinent to Company's evaluation of the Bona Fide Offer. Upon personally confirmed receipt of the Bona Fide Offer, the Company will accept or reject Customer's terms and conditions of the Bona Fide Offer within a mutually agreed upon time frame, but no later than 3 working days of receiving the Bona Fide Offer. If the Company is unable or unwilling to meet the terms and conditions of the Bona Fide Offer, then Customer shall have the right to take its electric power and energy from the alternative energy supplier. The Company's right hereunder to meet the terms of any Bona Fide Offer from an alternative energy supplier shall extend for five years after Customer Choice has been implemented. In the event that Customer takes electric power from an alternative energy supplier under the terms of a contract which extends for less than five years after Customer Choice has been implemented, then the Company's right to meet the terms of any Bona Fide Offer from an alternative energy supplier shall again apply at the termination of Customer's contract and the Company's right hereunder shall have first priority over any similar rights (including, without limitation, options to extend) granted to other energy suppliers. (T)

8. Payment. Company shall bill, and the customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefore, pursuant to the Company's General Service-Large (Optional Combined Account Billing) electric rate schedule, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and Customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.

9. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.

10. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 29
Replaces First Revised Sheet No. 29

Combined Account Billing for Electric Service Extension (continued)

- 11. Liability And Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of each point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
- 12. Disconnect. If for any reason the Customer desires the facilities at any of its service locations be temporarily disconnected, the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.
- 13. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 14. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its multiple service locations described in Exhibit "A" and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this ____ day of _____, binding and extending to their successors and assigns.

Black Hills Power, Inc.

Customer Name

By: _____

By: _____

Title: _____

Title: _____ (T)

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Original Sheet No. 30



(N)

GRADE AGREEMENT

This Agreement made the _____ day of _____, 20____
between Black Hills Power, Inc. hereinafter called the Company, and _____
_____, hereinafter called the Developer, witnesseth:

The Company will locate its equipment, and facilities in areas requested and designated by the Developer on the land being developed by Developer as shown on the Map or Plat of _____ which Map or Plat is hereby attached to and made a part of this Agreement. The Developer shall furnish to the Company the final elevations and grades, which final elevations and grades shall be accurate to ±6 inches (final elevations and grades, are interpreted to mean, all work necessary prior to acceptance by homeowner). In addition, the Developer shall advise the Company prior to commencing any excavations or grades after Company facilities have been constructed, Developer will pay at its sole expense all costs of raising, lowering, relocating, or otherwise rearranging, repairing, or changing such facilities when in the opinion of the Company such work is necessary to provide required clearances, stability and protection of structures or underground facilities in accordance with an applicable building or construction codes, and policies of the Company. In the event that the Developer or any independent contractor of the Developer has not complied with the terms and conditions of this Agreement, and if damage to any existing Company facilities occurs, the Developer shall pay all damages and loss suffered by the Company in repairing, relocating, or replacing such facilities, including a reasonable attorney's fee.

The Developer will establish a sufficient number of lot corners when requested by Company in order that the Company facilities may be placed in its proper location with respect to easement, street, or alley lines, and other utilities.

In witness whereof the aforesaid parties have hereunto by their authorized representatives set their hands and seals on the day and year first above written.

Witness or Attest:

Black Hills Power
By: _____

Developer

By: _____

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

PUBLIC UTILITIES COMMISSION OF SOUTH DAKOTA

SOUTH DAKOTA ELECTRIC RATE BOOK

**TARIFF SCHEDULES
APPLICABLE TO
ELECTRIC SERVICE
OF
BLACK HILLS POWER, INC.**

**625 9TH STREET
P.O. BOX 1400
RAPID CITY, SOUTH DAKOTA 57709**

Date Filed: September 30, 2009

By: Chris Kilpatrick
Director of Rates

Effective Date: April 1, 2010

004132



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Twenty-sixth Revised Sheet No. 1
Cancels Twenty-fifth Revised Sheet No. 1

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(T)

Date Filed: April 16, 2012

By: Chris Kilpatrick

Effective Date: June 1, 2012

Director of Resource Planning and
Rates



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Black Hills Power, Inc.
Rapid City, South Dakota

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

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Date Filed: April 16, 2012

By: Chris Kilpatrick
Director of Resource Planning and Rates

Effective Date: June 1, 2012



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

PRELIMINARY STATEMENT

Section No. 2
Third Revised Sheet No. 1
Replaces Second Revised Sheet No. 1

PRELIMINARY STATEMENT

Black Hills Power, Inc. serves in an area generally described as the Black Hills area in Butte, Custer, Fall River, Lawrence, Meade and Pennington Counties in South Dakota. (T)

The Company provides electric service for domestic, commercial and industrial service as prescribed in its Rates, Rules and Regulations.

The following symbols are used in conjunction with this tariff:

- a) "C" shall signify a changed listing, rule or condition which may affect rates or charges;
- b) "D" shall signify discontinued material, including any listing, rate, rule or condition;
- c) "I" shall signify an increase;
- d) "L" shall signify material relocated from or to another part of tariff schedules with no change in text, rate, rule or condition;
- e) "N" shall signify new material including a listing, rate, rule or condition;
- f) "R" shall signify a reduction;
- g) "T" shall signify a change in the wording of the text with no change in the rate, rule or condition.

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013

004137



SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL SERVICE
RATE DESIGNATION - R
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 1
Replaces Thirteenth Revised Sheet No. 1

RESIDENTIAL SERVICE

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington counties of South Dakota.

APPLICABLE

To a single-family private dwelling unit supplied through one meter for all domestic use including lighting, cooking, and other household uses. (T)

This schedule is not applicable to a residence that is used for commercial, professional, or another gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent, is considered non-domestic and the applicable General Service Rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120 or 120/240 volts.

NET MONTHLY BILL

<u>Rate</u>			
<u>Customer Charge</u>	\$10.00		(I)
<u>Energy Charge</u>	All Usage at \$0.10697 per kWh		(I)
<u>Minimum</u>	The Customer Charge		



SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL SERVICE
RATE DESIGNATION - R
Page 2 of 2

Section No. 3
Thirteenth Revised Sheet No. 2
Replaces Twelfth Revised Sheet No. 2

RESIDENTIAL SERVICE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Customers requesting service for cottages or cabins if discontinued and then resumed within twelve months after service was first discontinued shall pay all charges that would have been billed had service not been discontinued.
3. Company-approved water heaters shall have a tank capacity of not less than 30 gallons and an electric capacity of not more than 4,500 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.
4. The Company reserves the right to limit electrical demand during time of the Company's peak load.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

TOTAL ELECTRIC RESIDENTIAL SERVICE
RATE DESIGNATION - RTE
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 3
Replaces Thirteenth Revised Sheet No. 3

TOTAL ELECTRIC RESIDENTIAL SERVICE

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To a single-family private dwelling unit supplied through one meter for all domestic use, including lighting, cooking, household electrical appliances, water heating, space heating, and air conditioning, where electric service is the only source of energy for the dwelling unit, except energy provided by wood burning fireplaces used primarily for aesthetic purposes.

This schedule is not applicable to a residence which is used for commercial, professional or any other gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent, is considered non-domestic and the applicable General Service rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at a nominal voltage of 120/240 volts.

NET MONTHLY BILL

<u>Rate</u>			
<u>Customer Charge</u>	\$12.50		(I)
<u>Energy Charge</u>	All usage at \$0.07877 per kWh		(I)
<u>Minimum</u>	The Customer Charge		



SOUTH DAKOTA ELECTRIC RATE BOOK

TOTAL ELECTRICAL RESIDENTIAL SERVICE
RATE DESIGNATION - RTE
Page 2 of 2

Section No. 3
Thirteenth Revised Sheet No. 4
Replaces Twelfth Revised Sheet No. 4

TOTAL ELECTRIC RESIDENTIAL SERVICE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis.
3. Company-approved water heaters shall have a tank capacity of not less than 30 gallons and an electric capacity of not more than 4,500 watts at 240 volts. If two elements are used, interlocking controls are required to prevent simultaneous operation.
4. The Company reserves the right to limit electrical demand during time of the Company's peak load.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3
Eighth Revised Sheet No. 5
Replaces Seventh Revised Sheet No. 5

(Reserved)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on and
after January 1, 2007

004142



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3
Eighth Revised Sheet No. 6
Replaces Seventh Revised Sheet No. 6

(Reserved)

Date Filed: June 30, 2006

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Director of Rates

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SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE
RATE DESIGNATION - GS
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 7
Replaces Thirteenth Revised Sheet No. 7

GENERAL SERVICE

AVAILABLE

At points on the Company's existing distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers using electric service supplied at one point of delivery and for which no specific schedule is provided. This schedule is not applicable to standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge \$12.50 (I)

Capacity Charge

\$ 8.50 per kW for first 50 kW of Billing Capacity (I)(C)
\$ 8.00 per kW for all additional kW of Billing Capacity (I)

Energy Charge

\$0.08856 per kWh for first 3,000 kWh (R)(C)
\$0.07156 per kWh for all additional kWh (I)

Minimum

The Capacity Charge of \$2.90 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge. (I)



SOUTH DAKOTA ELECTRIC RATE BOOK

**GENERAL SERVICE
RATE DESIGNATION - GS
Page 2 of 2**

Section No. 3
Thirteenth Revised Sheet No. 8
Replaces Twelfth Revised Sheet No. 8

GENERAL SERVICE

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - TOTAL ELECTRIC
RATE DESIGNATION - GTE
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 9
Replaces Thirteenth Revised Sheet No. 9

GENERAL SERVICE – TOTAL ELECTRIC

AVAILABLE

At points on the Company's existing distribution facilities supplied by it interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers supplied at one point of delivery for general use including space heating and air conditioning, where electric service is the only source of energy at the service location, whose connected space heating load is not less than thirty percent (30%) of the total connected load, and for which no specific schedule is provided. This schedule is not applicable to temporary, standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer.

NET MONTHLY BILL

Rate

Customer Charge \$18.50 (I)

Capacity Charge

\$7.70 per kW for the first 50 kW of Billing Capacity (I)(C)

\$7.20 per kW for all additional kW of Billing Capacity (I)

Energy Charge

\$0.06210 per kWh for the first 6,000 kWh (I)

\$0.05589 per kWh for all additional kWh (I)

Minimum

The Capacity Charge but not less than \$2.90 per kilovolt-ampere (kVA) of required transformer capacity including a special transformer installation provided for the benefit of the customer or to protect the quality of service to other customers, but not less than the Customer Charge. (I)



SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - TOTAL ELECTRIC
RATE DESIGNATION - GTE
Page 2 of 2

Section No. 3
Thirteenth Revised Sheet No. 10
Replaces Twelfth Revised Sheet No. 10

GENERAL SERVICE – TOTAL ELECTRIC

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying by eighty-five percent and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment (T) tariffs in Section No. 3C, Tariff Sheet No. 11.

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GL
Page 1 of 3

Section No. 3
Fourteenth Revised Sheet No. 11
Replaces Thirteenth Revised Sheet No. 11

GENERAL SERVICE - LARGE

AVAILABLE

At points on the Company's existing transmission and distribution facilities supplied by its interconnected transmission system, within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To large power users for their entire electric service requirements supplied at one point of delivery and who agree to a Billing Capacity of 125 kilovolt-amperes (kVA) or more. This schedule is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at the Customer's service voltage (less than 69,000 volts) or secondary voltage (480 volts or below). (N)
(N)

NET MONTHLY BILL

Primary Service: (SD731) (N)

Rate

Capacity Charge – On-Peak

\$1,536.50 for the first 125 kVA or less of Billing Capacity (I)
\$ 15.50 for each additional kVA of Billing Capacity (I)

Capacity Charge – Off-Peak

Customers having a Contract Capacity of 250 kVA or greater may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above the On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

\$0.3330 per kWh for the first 50,000 kWh (R)
\$0.0280 per kWh for each additional kWh (R)

Minimum

The Capacity Charge but not less than \$2.79 per kVA times the highest Billing Capacity applicable in the twelve months ending with and including the current month, plus any tax adjustment. (I)



SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GL
Page 2 of 3

Section No. 3
Thirteenth Revised Sheet No. 12
Replaces Twelfth Revised Sheet No. 12

GENERAL SERVICE - LARGE

Secondary Service: (SD721)

(N)

Rate

Capacity Charge – On-Peak

\$1,536.50 for the first 125 kVA or less of Billing Capacity

\$ 16.13 for each additional kVA of Billing Capacity

Capacity Charge – Off-Peak

Customers having a Contract Capacity of 250 kVA or greater may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above the On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

\$0.03900 per kWh for the first 50,000 kWh

\$0.03569 per kWh for each additional kWh

Minimum

The Capacity Charge but not less than \$2.79 per kVA times the highest Billing Capacity applicable in the twelve months ending with and including the current month, plus any tax adjustment.

BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the month determined by dividing the maximum capacity in kilowatts (kW) by the power factor.
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months.
- c. Eighty percent of the Contract Capacity as stated in the Electric Service Agreement.

The power factor will be determined at the Company's option by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal or by permanent measurement. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the test period by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new Contract Capacity equal to the average of the three (3) highest measured Billing Capacities during the year will be established and the customer will be notified in writing prior to implementation.



SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GL
Page 3 of 3

Section No. 3
Fourteenth Revised Sheet No. 13
Replaces Thirteenth Revised Sheet No. 13

GENERAL SERVICE - LARGE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than three years and if not then terminated by at least three months prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the Company's General Rules and Regulations.
3. Notice will be provided defining On-Peak hours and a thirty days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of the impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

INDUSTRIAL CONTRACT SERVICE
RATE DESIGNATION - IC
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 14
Replaces Thirteenth Revised Sheet No. 14

INDUSTRIAL CONTRACT SERVICE

AVAILABLE

At points on the Company's existing interconnected distribution system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To large industrial power users receiving 69 kV service supplied at one point of delivery. Service is by Industrial Contract Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's 69 kV distribution facilities (69,000 volts and above) stated in the Industrial Service Agreement.

NET MONTHLY BILL

Rate

Capacity Charge – On-Peak

69 kV Service @ \$9.42 per kVA of Billing Capacity

(l)

Capacity Charge – Off-Peak

Customer may elect to receive Off-Peak Service of up to 1.5 times their Billing Capacity at no additional capacity charge above their On-Peak Capacity Charge. Off-Peak Service greater than 1.5 times Billing Capacity will be charged at regular rates and applied in determination of Billing Capacity.

Energy Charge

69 kV Service @ \$0.021 per kWh

(l)

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; or
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. The minimum level for 69 kV Service will be 10,000 kVA



SOUTH DAKOTA ELECTRIC RATE BOOK

INDUSTRIAL CONTRACT SERVICE
RATE DESIGNATION - IC
Page 2 of 2

Section No. 3
Thirteenth Revised Sheet No. 15
Replaces Twelfth Revised Sheet No. 15

INDUSTRIAL CONTRACT SERVICE

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than five years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Notice will be provided defining On-Peak hours and thirty (30) days written notice will be provided of any change in On-Peak hours.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

PRIVATE OR PUBLIC AREA LIGHTING SERVICE
RATE DESIGNATION - PAL
Page 1 of 3

Section No. 3
Sixteenth Revised Sheet No. 16
Replaces Fifteenth Revised Sheet No. 16

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

AVAILABLE

At points on the Company's existing secondary distribution facilities where un-metered 120/240 volt service is available within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To any customer who contracts for the illumination of outdoor areas of private or public property.

NATURE OF SERVICE

The Company will install, own and operate the necessary Mercury Vapor (MV) or High Pressure Sodium Vapor (HPSV) Fixture(s). Energy-only service is also available for customer-owned Mercury Vapor and High-Pressure Sodium Vapor installations.

NET MONTHLY BILL

Rate

- a. For Luminaries in fixtures supported by a bracket not exceeding four feet in length, mounted on existing wood poles and connected to an existing secondary circuit:

Nominal Lamp Rating

9,500 Lumen HPSV Luminaire	(100 Watt)	\$ 9.46 per unit	(1)
27,500 Lumen HPSV Luminaire	(250 Watt)	\$15.92 per unit	
7,000 Lumen MV Luminaire	(175 Watt)	\$ 8.79 per unit	
20,000 Lumen MV Luminaire	(400 Watt)	\$14.48 per unit	

- b. For standard floodlight fixtures consisting of enclosed Mercury Vapor or High-Pressure Sodium Vapor lamps supported by a bracket not exceeding two feet in length:

Nominal Lamp Rating

27,500 Lumen HPSV Floodlight	(250 Watt)	\$22.38 per unit	(1)
50,000 Lumen HPSV Floodlight	(400 Watt)	\$41.49 per unit	
20,000 Lumen MV Floodlight	(400 Watt)	\$20.94 per unit	
55,000 Lumen MV Floodlight	(1,000 Watt)	\$35.59 per unit	



SOUTH DAKOTA ELECTRIC RATE BOOK

PRIVATE OR PUBLIC AREA LIGHTING SERVICE
RATE DESIGNATION - PAL
Page 2 of 3

Section No. 3
Seventeenth Revised Sheet No. 17
Replaces Sixteenth Revised Sheet No. 17

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

NET MONTHLY BILL (Continued)

c. For customer installations connected to an existing secondary circuit:

<u>Nominal Lamp Rating</u>		
2,200 Lumen HPSV Luminaire	(35 Watt)	\$ 1.84 per unit
4,000 Lumen HPSV Luminaire	(50 Watt)	\$ 1.91 per unit
6,400 Lumen HPSV Luminaire	(70 Watt)	\$ 2.20 per unit
9,500 Lumen HPSV Luminaire	(100 Watt)	\$ 3.09 per unit
16,000 Lumen HPSV Luminaire	(150 Watt)	\$ 4.23 per unit
27,500 Lumen HPSV Luminaire	(250 Watt)	\$ 5.79 per unit
50,000 Lumen HPSV Luminaire	(250 Watt)	\$ 5.79 per unit
127,000 Lumen HPSV Luminaire	(1,000 Watt)	\$ 21.03 per unit
7,000 Lumen MV Luminaire	(175 Watt)	\$ 4.31 per unit
11,000 Lumen MV Luminaire	(250 Watt)	\$ 5.79 per unit
20,000 Lumen MV Luminaire	(400 Watt)	\$ 9.50 per unit
122,000 Lumen MH Luminaire	(400 Watt)	\$ 9.50 per unit

(I)

d. For special installations involving material and equipment not included in "a" and "b" above, the charge per month shall be as follows:

Charge for Luminaires same as "a" above; or for Floodlights same as "b" above, plus 1.25% of Company's actual investment in such installation (which shall include poles, wire and all other materials and installation costs).

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11.

(T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.



SOUTH DAKOTA ELECTRIC RATE BOOK

PRIVATE OR PUBLIC AREA LIGHTING SERVICE
RATE DESIGNATION - PAL
Page 3 of 3

Section No. 3
Thirteenth Revised Sheet No. 18
Replaces Twelfth Revised Sheet No. 18

PRIVATE OR PUBLIC AREA LIGHTING SERVICE

TERMS AND CONDITIONS

1. Standard fixtures available for installation hereunder shall be determined by the Company on the basis of quality, capital and maintenance costs, long-term availability and other factors.
2. Company will install fixtures only on poles having available space.
3. Fixtures shall be operated by photo-electric control to provide service from approximately one-half hour after sunset to one-half hour before sunrise.
4. Customer shall assume responsibility for notifying Company when Company's fixtures are inoperative.
5. Replacement of lamps due to ordinary burnout shall be made at Company expense during regularly scheduled working hours. Replacement because of breakage for any reason shall be charged to customer at Company's cost.
6. Customer shall provide or secure all necessary right-of-way permits and/or easements needed to provide service under this schedule.
7. Company may refuse to install or may remove from service upon notice to customer any fixture provided for herein for any reason, including but not limited to the following: relocation of distribution facilities and where such fixture or its operation could cause an unsatisfactory condition affecting the quality of life in the immediate area, or public safety, or could be in violation of any local ordinance or development restriction.
8. Energy-only service is available only to customers who install, own and maintain all required electric and lighting facilities past the Company's existing secondary circuit at which electric service is provided.
9. Service will be rendered under the Company's General Rules and Regulations.
10. This schedule is predicated on continuous service of 12 months per year.

CONTRACT PERIOD

Service under this schedule shall be by written agreement for a minimum period of years as specified:
Service under Rate "a", Rate "b", and Rate "c" - two years.
Special installation under Rate "d" - ten years.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

IRRIGATION PUMPING
RATE DESIGNATION - IP
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 19
Replaces Thirteenth Revised Sheet No. 19

IRRIGATION PUMPING

AVAILABLE

To parties who own and/or operate irrigation pumping stations located at or near the Company's existing distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers using electric service supplied at one point of delivery for irrigation pumping. Service is by Irrigation Pumping Contract (IPC) only and is not applicable for temporary, standby supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase and at the voltage stated in the IPC.

RATE

Capacity Charge

\$28.92 per season per horsepower of connected load. (l)

Energy Charge

\$0.0745 per kWh for all energy used. (l)

METHOD OF BILLING

One-third of the Capacity Charge will be billed for each of the months of April, May, and June. The Energy Charge will be billed monthly based on usage.



SOUTH DAKOTA ELECTRIC RATE BOOK

**IRRIGATION PUMPING
RATE DESIGNATION - IP
Page 2 of 2**

Section No. 3
Fourteenth Revised Sheet No. 20
Replaces Thirteenth Revised Sheet No. 20

IRRIGATION PUMPING

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than ten years is required when distribution facilities are expanded or a three year term is required with no distribution facility expansion and then if not terminated by at least thirty (30) days prior written notice by either party, shall continue until so terminated.

TERMS AND CONDITIONS

1. Service is by Irrigation Pumping Contract (IPC).
2. Determination of connected load: the Company shall determine the connected horsepower by nameplate rating of the motors, or at its option by test under conditions of maximum operating load.
3. Customer shall maintain a power factor at the point of delivery of not less than 85% lagging.
4. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

STREET LIGHTING
RATE DESIGNATION - SL
Page 1 of 3

Section No. 3
Thirteenth Revised Sheet No. 21
Replaces Twelfth Revised Sheet No. 21

STREET LIGHTING

AVAILABLE

At points within 150 feet of the Company's existing secondary distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties in South Dakota. (T)

APPLICABLE

To incorporated municipalities, townships, counties, or governmental agencies for the lighting of public streets, highways, alleys, and thoroughfares. Company owned lighting service is not available for floodlighting of swimming pools, athletic fields, parking lots, and other similar projects, public or private. Customer-owned systems must be complete with standards or towers, luminaries with glassware, lamps and other appurtenances, together with all necessary cable extending between standards or towers and to points of connection to Company's facilities as designated by the Company.

SERVICE PROVIDED

The following three types of service are available under this rate schedule:

1. **Energy Service**

The Company shall furnish all electrical energy necessary to operate the street lighting system.

2. **Energy and Maintenance Service**

The Company shall furnish all electric energy necessary to operate the street lighting system. The Company shall also make lamp, glassware, and photo-electric cell renewals and shall periodically clean the glassware. Maintenance for damages caused by malicious mischief shall be the responsibility of the customer.

3. **Total Street Lighting Service**

The Company shall provide the energy maintenance service described in (2) above, and the Company shall install, own, and operate the street lighting system. The type and kind of luminaries and supports will be in accordance with Company specifications.



SOUTH DAKOTA ELECTRIC RATE BOOK

STREET LIGHTING
RATE DESIGNATION - SL
Page 2 of 3

Section No. 3
Fifteenth Revised Sheet No. 22
Replaces Fourteenth Revised Sheet No. 22

STREET LIGHTING

NET MONTHLY BILL

Rate

- a. For fixtures only supported by distribution type wood poles and served aerially within 150 feet of existing secondary distribution:

Lamp Type & Nominal Rating	Customer Owned		Company Owned	
	Energy Service	Energy and Maintenance Service	Total Street Lighting Service	
<u>Mercury Vapor</u>				
20,000 Lumen (400 Watt)	\$9.50		\$	(I)
<u>High-Pressure Sodium Vapor*</u>				
2,200 Lumen (35 Watt)	\$ 1.84			(I)
4,000 Lumen (50 Watt)	1.91			(I)
5,500 Lumen (70 Watt)	2.20			(I)
9,500 Lumen (100 Watt)	3.09	\$ 6.28	\$12.11	(I)
14,000 Lumen (150 Watt)	4.23		15.33	(I)
27,500 Lumen (250 Watt)	5.79	10.77	17.14	(I)
50,000 Lumen (400 Watt)	9.50	14.91	27.43	(I)
127,000 Lumen (1,000 Watt)	21.03			(I)
<u>Metal Halide</u>				
11,000 Lumen (100 Watt)	\$3.08			(I)
16,000 Lumen (150 Watt)	4.23			(I)
18,500 Lumen (175 Watt)	4.31			(I)
22,000 Lumen (250 Watt)	5.79			(I)
35,500 Lumen (400 Watt)	9.50			(I)
40,000 Lumen (450 Watt)	10.61			(I)

*The Company Owned Total Street Lighting rates are not available for new mercury vapor or 150 watt high-pressure sodium vapor street lighting installations.

- b. For special installations involving material and equipment not included in (a) above, the charge per month shall be as follows:
Charge for luminaries and fixtures same as (a) above plus 1.25 percent of the difference between Company's actual investment in such installations and the investment cost of an overhead street lighting installation supported by distribution type wood poles and served aerially within 150 feet of existing secondary distribution.



SOUTH DAKOTA ELECTRIC RATE BOOK

STREET LIGHTING
RATE DESIGNATION - SL
Page 3 of 3

Section No. 3
Fourteenth Revised Sheet No. 23
Replaces Thirteenth Revised Sheet No. 23

STREET LIGHTING

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Luminaries shall be turned on and off automatically by a photoelectric control, and the nightly hours of burning shall be from approximately one-half hour after sunset until one-half hour before sunrise.
2. If illumination from any lamp is interrupted and said illumination is not resumed within 48 hours from the time Company receives notice thereof from customer, one-thirtieth (1/30th) of the monthly rate for such lamp shall be deducted for each night of non-illumination after such notice is received.
3. Customer shall pay all costs for relocation and/or removal of luminaries when requested by customer.
4. The Company will, if requested by the customer, furnish personnel, materials, tools and equipment for the purpose of maintaining, repairing, or replacement of the customer's street lighting system. The customer shall reimburse the Company for all costs properly and reasonably incurred by it in such performance, including not to exceed fifteen percent (15%) thereof for administrative and general expenses, such costs to be determined on the basis of current charges or rates used by the Company in its own operation. Performance by the Company contemplated hereunder includes, but is not limited to, the replacement of lamps and glassware, the replacement of ballasts and the periodic painting of standards.
5. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated or sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

MUNICIPAL PUMPING
RATE DESIGNATION - MP
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 24
Replaces Thirteenth Revised Sheet No. 24

MUNICIPAL PUMPING

AVAILABLE

At points on the Company's existing distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To incorporated municipalities for electric service which is needed for and used in connection with the year-round operation of water utility pumping and treatment and sewage disposal facilities. This schedule is not applicable to temporary, standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of customer.

NET MONTHLY RATE

<u>Rate</u>	<u>Summer Rate</u>	<u>Winter Rate</u>	
<u>Customer Charge</u>	\$18.50	\$18.50	(I)
<u>Capacity Charge</u>	\$9.00 per kW of Billing Capacity	\$8.25 per kW of Billing Capacity	(I)
<u>Energy Charge</u>	All usage at \$0.0443 per kWh	All usage at \$0.0443 per kWh	(I)
<u>Minimum</u>			
The Capacity Charge but not less than the applicable Customer Charge.			

BILLING CAPACITY

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen-minute duration under conditions which the Company determines to be normal) is less than eighty-five percent at the point of delivery, the Billing Capacity will be increased by multiplying the eighty-five percent and dividing the power factor expressed in percent. The power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatts used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.



SOUTH DAKOTA ELECTRIC RATE BOOK

MUNICIPAL PUMPING
RATE DESIGNATION - MP
Page 2 of 2

Section No. 3
Thirteenth Revised Sheet No. 25
Replaces Twelfth Revised Sheet No. 25

MUNICIPAL PUMPING

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. This schedule is predicated on continuous service of twelve months per year. If the customer desires only seasonal service, such service will be provided under the Company's applicable General Service schedule.
2. This schedule is not applicable for the pumping of water from streams, ponds, or lakes and applied directly to public parks and grounds for irrigation purposes or for other similar projects.
3. The Summer Rate shall apply to usage between June 1 through October 31. The Winter Rate shall apply to usage between November 1 through May 31. The Company reserves the right to modify the months applicable to the summer-winter billing periods.
4. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

TRAFFIC SIGNALS
RATE DESIGNATION - TS
Page 1 of 2

Section No. 3
Fourteenth Revised Sheet No. 26
Replaces Thirteenth Revised Sheet No. 26

TRAFFIC SIGNALS

AVAILABLE

At points within 200 feet of the Company's existing secondary distribution lines supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To municipal, state, and federal governments, their agencies and subdivisions, for the operation of customer-owned traffic signals and caution lights on public streets and highways for traffic regulation. This schedule is not applicable to standby, supplementary, emergency, resale, shared, or incidental service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase at nominal voltage of 120 volts.

NET MONTHLY BILL

<u>Rate</u>			
<u>Customer Charge</u>	\$12.50		(I)
<u>Energy Charge</u>			
All energy used at \$0.0680 per kWh			(I)
<u>Minimum</u>			
The Customer Charge			



SOUTH DAKOTA ELECTRIC RATE BOOK

TRAFFIC SIGNALS
RATE DESIGNATION - TS
Page 2 of 2

Section No. 3
Thirteenth Revised Sheet No. 27
Replaces Twelfth Revised Sheet No. 27

TRAFFIC SIGNALS

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. The customer at its own expense shall install, operate, and maintain the traffic signals and caution lights. Such equipment shall be of types which will not interfere with other service rendered by the Company at reasonable times.
2. The customer shall extend its service leads to the point of connection at the Company's meter, such point to be designated by the Company.
3. Service will be rendered under the Company's General Rules and Regulations.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

CUSTOMER SERVICE CHARGE
RATE DESIGNATION - C
Page 1 of 2

Section No. 3
Eleventh Revised Sheet No. 28
Replaces Tenth Revised Sheet No. 28

CUSTOMER SERVICE CHARGE

APPLICABLE

This schedule applies to all customers requesting service under any of the following rate schedules:

- R Regular Residential Service
- RD Residential Demand Service
- UCR Utility Controlled Residential Service
- RTE Total Electric Residential Service
- GS General Service
- GTE General Service – Total Electric
- UCG Utility Controlled General Service
- ES Energy Storage Service
- SIGS Small Interruptible General Service
- GL General Service – Large
- GLC General Service – Large (Optional Combined Account Billing)
- LPC Large Power Contract Service
- LDC Large Demand Curtailable
- IC Industrial Contract Service
- PAL Private or Public Area Lighting
- IP Irrigation Pumping
- MP Municipal Pumping
- TS Traffic Signals
- FPS Forest Products Service

RATE

CUSTOMER SERVICE CHARGE: \$20.00

TERMS AND CONDITIONS

1. The charge shall be billed to all customers applying for electric service under the applicable rate schedule in the first regular billing.
2. The Company shall make customer connections during the hours of 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding legal holidays. If the Company is required to make connection other than these hours, appropriate overtime fees shall be assessed.

(T)

RECONNECTION

Reconnection of a service which has been disconnected for non-payment of customer's utility account:

Payment received before 5:00PM: \$30.00

(T),(I)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

CUSTOMER SERVICE CHARGE
RATE DESIGNATION - C
Page 2 of 2

Section No. 3
Fourth Revised Sheet No. 29
Replaces Third Revised Sheet No. 29

RECONNECTION (continued)

TERMS AND CONDITIONS

1. For re-establishment of service as the result of disconnection for non-payment of a bill, the charge shall be paid in advance of customer receiving power and energy from the Company.
2. The Company shall make customer connections for non-payment of a bill when payment is received before 5:00 P.M., Monday through Friday, excluding legal holidays. If the payment necessary for reconnections is received after 5:00 P.M. Mon.-Fri. or weekends and holidays, a fee of \$60.00 shall be assessed. (T)

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TEMPORARY SERVICE

Temporary electric service is available for construction purposes. The customer will be responsible for the direct cost incurred to provide temporary construction power. All temporary service will be provided under General Service tariff. Temporary service is available to customers only after a customer has provided a meter pedestal which meets the requirements of the Company's Engineering Handbook.

Temporary service does not include any costs associated with extending the primary or secondary distribution to the construction site or the installation of the transformer. Customer requested line extensions are provided under Section 800, Line Extensions, of the Company's Rules and Regulations.

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013

004166



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

METER TEST DEPOSITS
RATE DESIGNATION - MT
Page 1 of 1

Section No. 3
Fourth Revised Sheet No. 30
Replaces Third Revised Sheet No. 30

METER TEST DEPOSITS

RESIDENTIAL METER TEST DEPOSIT

If a residential meter test request is made within one year after a previous request, the Company will receive the appropriate deposit from the customer prior to conducting the meter test. The residential meter types and meter test deposits are:

<u>Meter Type</u>	<u>Meter Test Deposit</u>
Single Phase	\$10
Single Phase Demand	\$10

NON-RESIDENTIAL METER TEST DEPOSIT

If a non-residential meter test request is made within one year after a previous request, the Company will receive the appropriate deposit from the customer prior to conducting the meter test. The non-residential meter types and their associated meter test deposits are:

<u>Meter Type</u>	<u>Meter Test Deposit</u>
Single Phase	\$10
Single Phase Demand and Self-Contained Three Phase	\$20
All Others	\$30

The meter test deposit of a residential or non-residential customer will be refunded only if the meter is found to have an average recording error of at least 2 percent slow or fast. If the meter is found to be in error, the previous electric billings of the customer will be adjusted as provided for in Section 703.1 of the Company's Rules and Regulations for South Dakota electric service.



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE POWER CONTRACT SERVICE
RATE DESIGNATION - LPC
Page 1 of 3

Section No. 3
Eighth Revised Sheet No. 31
Replaces Seventh Revised Sheet No. 31

LARGE POWER CONTRACT SERVICE

AVAILABLE

At points on the Company's existing interconnected distribution system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To any single natural person, partnership, limited liability company, corporation, or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts at multiple service locations. Each Single Customer account currently billed on Company's General Service - Large rate tariff will be considered by the Company for Large Power Contract Service on a case by case basis. Single Customer's energy use (kWh), reactive energy use (kVARh), and peak demand (kW), for each service will be added together and the combined totals will be used in calculating the Single Customer's electric bill. This schedule is not applicable for temporary, standby, supplementary, emergency, resale or shared service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's distribution voltage (less than 69,000 volts) stated in the Contract Service Agreement.

NET MONTHLY BILL

Rate

Service Charge – \$9,087.00 (I)

Capacity Charge – \$9.03 per kVA of Billing Capacity (R)

Energy Charge @ \$0.03046 per kWh for the first 3,000,000 kWh (I)

Energy Charge @ \$0.02738 per kWh for all additional kWh (I)

Minimum

The charge for the Billing Capacity

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum On-Peak use during the billing period; or the maximum Off-Peak use less fifty percent of the maximum On-Peak use, whichever is higher; determined by dividing the combined maximum capacity in kilowatts (kW) by the power factor; or
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as stated in the Contract Service Agreement; or
- d. The minimum level for Large Power Contract Service will be 6,000 kVA.



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE POWER CONTRACT SERVICE
RATE DESIGNATION - LPC
Page 2 of 3

Section No. 3
Eighth Revised Sheet No. 32
Replaces Seventh Revised Sheet No. 32

LARGE POWER CONTRACT SERVICE

The power factor is defined to be the quotient obtained by dividing the combined kilowatt-hours used during the metering period by the square root of the sum of the squares of the combined kilowatt-hours used and the combined lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than five years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
3. Additional accounts may be added to the combined bill through an Amendment to Exhibit A of the Electric Power Service Contract as long as they meet the applicable criteria and their annual costs are less on the General Service Large tariff (SD721) when compared to the annual costs on the tariff currently applied to the account. The account's past 12 months energy use and demand are used when making the comparison. (N)



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code (SD772)

SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE POWER CONTRACT SERVICE
RATE DESIGNATION - LPC
Page 3 of 3

Section No. 3
Original Sheet No. 32A

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.

Date Filed: March 31, 2014
Docket: EL14-

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2014

004170



SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GLC
Page 1 of 3

Section No. 3
Fifth Revised Sheet No. 33
Replaces Fourth Revised Sheet No. 33

GENERAL SERVICE - LARGE
(Optional Combined Account Billing)

AVAILABLE

At points on the Company's existing transmission and distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To any single natural person, partnership, limited liability company, corporation, or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts at multiple service locations. Each Single Customer account currently billed on Company's General Service Large rate tariff must be converted to the Combined Account Billing tariff. Single Customer accounts approaching a size and character that would qualify for Company's General Service Large rate tariff will be considered by the Company for Combined Account Billing on a case-by-case basis. Single Customer's energy use (kWh), reactive energy use (kVARh), and peak demand (kW), for each service will be added together and the combined totals will be used in calculating the Single Customer's electric bill. This schedule is not applicable for temporary, standby, supplementary, emergency, resale, or shared service.

(N)
(N)

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available at each service location of the customer.

NET MONTHLY BILL

Rate

Service Charge

\$105.40 per service location

(I)

Capacity Charge

\$1,536.50 for the first 125 kVA or less of Billing Capacity

\$ 16.13 for each additional kVA of Billing Capacity

(I)

(I)

Energy Charge

\$0.03900 per kWh for the first 50,000 kWh

\$0.03569 per kWh for each additional kWh

(I)

(I)

Minimum

The Service Charge plus the Capacity Charge



SOUTH DAKOTA ELECTRIC RATE BOOK

GENERAL SERVICE - LARGE
RATE DESIGNATION - GLC
Page 2 of 3

Section No. 3
Fifth Revised Sheet No. 34
Replaces Fourth Revised Sheet No. 34

GENERAL SERVICE - LARGE
(Optional Combined Account Billing)

BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the metering period determined by dividing the combined maximum capacity in kilowatts (kW) by the power factor.
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months. Billing Capacity ratchets will not apply to educational facilities, in the nature of school districts, which do not operate year-round.

The power factor is defined to be the quotient obtained by dividing the combined kilowatt-hours used during the metering period by the square root of the sum of the squares of the combined kilowatt-hours used and the combined lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment (T) tariffs in Section No. 3C, Tariff Sheet No. 11.

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT TERMS

The initial Contract term shall be three years and the Contract shall then continue as long as the Company has the exclusive legal right to serve the customer. At such time as the customer has the current legal right to receive or request delivery of its electric power from an alternative energy supplier under terms and conditions which are not subject to the jurisdiction of the South Dakota Public Utilities Commission ("Customer Choice"), then the customer may request that the Company meet the terms of a bona fide offer from any alternative energy supplier. The Company's right hereunder to meet the terms of any bona fide offer from an alternative energy supplier shall extend for five years after Customer Choice has been implemented.



SOUTH DAKOTA ELECTRIC RATE BOOK

**GENERAL SERVICE - LARGE
RATE DESIGNATION - GLC
Page 3 of 3**

Section No. 3
Fourth Revised Sheet No. 35
Replaces Third Revised Sheet No. 35

GENERAL SERVICE - LARGE
(Optional Combined Account Billing)

TERMS AND CONDITIONS

1. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
2. Service will be rendered under the Company's General Rules and Regulations.
3. Within six months of the Company's meter data management system becoming fully capable of calculating and billing coincident demand, Company will begin adding the demand and energy for each customer account on a coincident basis
4. Additional accounts may be added to the combined bill through an Amendment to Exhibit A of the Electric Power Service Contract as long as they meet the applicable criteria, their average monthly demand during the previous 12 months is 70 kVA or greater and their annual costs are less on the General Service Large tariff (SD721) when compared to the annual costs on the tariff currently applied to the account. The account's past 12 month's energy use and demand are used when making the comparison.
5. Accounts must be removed from Combined Billing through an Amendment to Exhibit A and served on the most applicable tariff if the "Single Customer" requirements are no longer applicable. Accounts will be removed from Combined Billing on a case by case basis when the account's annual energy use and demand drop significantly below the size and character of a General Service Large account.

(N)

(N)

(N)

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

FOREST PRODUCTS SERVICE
RATE DESIGNATION - FPS
Page 1 of 3

Section No. 3
Fourth Revised Sheet No. 36
Replaces Third Revised Sheet No. 36

FOREST PRODUCTS SERVICE

AVAILABLE

At points on the Company's existing distribution system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To companies operating in the Forest Products Industry for their entire electric service requirements who contract for a Billing Capacity of 3,000 kilovolt-amperes (kVA) or more. Any single natural person, partnership, limited liability company, corporation or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts metered separately located at one location may be included. Each separately metered service must have an average minimum monthly demand of 500 kVA during the previous 12 month period to qualify for the rate. This service is not applicable for temporary, standby, supplementary, emergency, resale, shared or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase at the Company's distribution voltage (less than 69,000 volts) or secondary voltage (480 volts or below) as stated in their Agreement.

(T)

NET MONTHLY BILL

Primary Voltage Service

Rate

Capacity Charge

\$9.99 per kVA for the first 5,000 kVA of Billing Capacity
\$6.65 per kVA for each additional kVA of Billing Capacity

(I)(C)
(I)

Energy Charge

\$0.0397 per kWh for the first 800,000 kWh
\$0.0328 per kWh for each additional kWh

(I)
(I)

Secondary Voltage Service

Rate

Capacity Charge

\$10.06 per kVA for the first 5,000 kVA of Billing Capacity
\$ 8.68 per kVA for each additional kVA of Billing Capacity

(I)(C)
(I)

Energy Charge

\$0.0398 per kWh for the first 800,000 kWh
\$0.0330 per kWh for each additional kWh

(I)
(I)



SOUTH DAKOTA ELECTRIC RATE BOOK

FOREST PRODUCTS SERVICE
RATE DESIGNATION - FPS
Page 2 of 3

Section No. 3
Fourth Revised Sheet No. 37
Replaces Third Revised Sheet No. 37

FOREST PRODUCTS SERVICE

NET MONTHLY BILL (continued)

Minimum

The charge for the Billing Capacity.

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the billing period; or
- b. Eighty percent of the highest Billing Capacity in any of the preceding eleven months; or
- c. Eighty percent of the Contract Capacity as defined in the following paragraph; or
- d. The minimum level will be 2,400 kVA.

Should the customer's measured Billing Capacity exceed the current Contract Capacity during three (3) or more billing months in any calendar year, a new Contract Capacity equal to the average of the three (3) highest monthly Billing Capacities during the year will be established and the customer will be notified in writing prior to the implementation.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustments tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

The initial Contract term shall be three years and the Contract shall then continue as long as the Company has the exclusive legal right to serve the customer. At such time as the customer has the current legal right to receive or request delivery of its electric power from an alternative energy supplier under terms and conditions which are not subject to the jurisdiction of the South Dakota Public Utilities Commission ("Customer Choice"), then the customer may request that the Company meet the terms of a bona fide offer from any alternative.



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code (SD764, SD765, SD774)

SOUTH DAKOTA ELECTRIC RATE BOOK

FOREST PRODUCTS SERVICE
RATE DESIGNATION - FPS
Page 3 of 3

Section No. 3
Third Revised Sheet No. 38
Replaces Second Revised Sheet No. 38

FOREST PRODUCTS SERVICE

CONTRACT PERIOD (Continued)

energy supplier. The Company's right hereunder to meet the terms of any bona fide offer from an alternative energy supplier shall extend for five years after Customer Choice has been implemented.

TERMS AND CONDITIONS

Service will be rendered under the Company's General Rules and Regulations.

(T)

TAX ADJUSTMENT

Bills commuted under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated or sold.

Date Filed: March 31, 2014
Docket: EL14-

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2014

004176



SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL DEMAND SERVICE
RATE DESIGNATION RD
Page 1 of 3

Section No. 3A
Eighth Revised Sheet No. 1
Replaces Seventh Revised Sheet No. 1

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any single-family private dwelling unit supplied through one meter with qualifying minimum usage of 1,000 kWh per month on average.

This schedule shall not be optional and shall apply for all residential customers taking service for all of their electric load requirements which are in excess of the simultaneous output from generation located at their residence and/or sell to the Company all output which is in excess of the simultaneous customer electric load. Residential customers who have installed generation to partially meet their electricity requirements prior to October 1, 2014 shall be allowed to remain on another residential service schedule for the remainder of their service contract or 10 years, whichever is less.

(N)

This schedule is not applicable to a residence that is used for commercial, professional, or any other gainful enterprise; however, if the domestic use can be separately metered, this schedule is applicable to the metered domestic portion of energy use.

A single-family dwelling in which four sleeping rooms or more are rented or are available for rent is considered non-domestic and the applicable General Service Rate shall apply.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120/240 volts.

NET MONTHLY BILL

Rate

Customer Charge \$14.00

(I)

Energy Charge

All usage at \$0.02320 per kWh

(I)

Demand Charge

All kW of Billing Demand at \$9.75 per kW

(I)

Demand Charge - Off-Peak (Maximum Value Option)

All Off-Peak kW of Billing Demand exceeding 3.0 times On-Peak Demand at \$9.75 per kW

(I)

Minimum

The Customer Charge



SOUTH DAKOTA ELECTRIC RATE BOOK

RESIDENTIAL DEMAND SERVICE
RATE DESIGNATION - RD
Page 2 of 3

Section No. 3A
Eighth Revised Sheet No. 2
Replaces Seventh Revised Sheet No. 2

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

BILLING DEMAND

Customer's average kilowatt load during the fifteen-minute period of maximum use during the month.

MAXIMUM VALUE OPTION

Optional time-of-use metering is available for customers owning demand controllers ready to receive a control signal. When a residential time-of-use meter is used for billing purposes, the Billing Demand is the customer's average kilowatt load during the fifteen minute period of maximum On-Peak use during the month. Maximum off-peak demand will be limited to 3 times the On-Peak demand setting in all new demand controller installations. Company may consider programming customer's existing demand controller to limit off-peak use to 3 times the On-Peak setting, depending on the size of the customer's off-peak load. The On-Peak periods are Monday through Friday, 7:00 a.m. to 11:00 p.m. from November 1st through March 31st and Monday through Friday, 10:00 a.m. to 10:00 p.m. from April 1st through October 31st. The hours may be shifted one (1) hour in accordance with the recognized Daylight Savings Time (DST) in the local area and customers will be given prior notice of such change. In addition to the normal Off-Peak periods, the following holidays are considered Off-Peak: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 14 (SD714, SD716)
(SD887)

SOUTH DAKOTA ELECTRIC RATE BOOK

**RESIDENTIAL DEMAND SERVICE
RATE DESIGNATION - RD
Page 3 of 3**

Section No. 3A
Fourth Revised Sheet No. 3
Replaces Third Revised Sheet No. 3

RESIDENTIAL DEMAND SERVICE (OPTIONAL)

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable residential service rates.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED RESIDENTIAL SERVICE
RATE DESIGNATION - UCR
Page 1 of 2

Section No. 3A
Seventh Revised Sheet No. 4
Replaces Sixth Revised Sheet No. 4

UTILITY CONTROLLED RESIDENTIAL SERVICE (CLOSED)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any single-family dwelling unit where the energy use meets minimum usage qualifications in any monthly billing period; provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4kW of Company approved permanently connected customer designated loads separately metered from the residential service. Company approved loads will include, but are not limited to, water heating and dual fuel heating systems. Utility controlled service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Alternating current, 60 hertz, single phase, at nominal voltages of 120 or 120/240 volts except that an interruptible circuit of at least 4kW will be controlled by the Company.

NET MONTHLY BILL

Rate

Customer Charge

\$12.50 per month

(I)

Energy Charge

All usage at \$0.04411 per kWh

(I)

Minimum

The Customer Charge



SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED RESIDENTIAL SERVICE
RATE DESIGNATION - UCR
Page 2 of 2

Section No. 3A
Sixth Revised Sheet No. 5
Replaces Fifth Revised Sheet No. 5

UTILITY CONTROLLED RESIDENTIAL SERVICE (CLOSED)

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under the other applicable residential service rates.
3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meters and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to control customer's loads. For large controlled loads, the customer's controllable load interrupting device may, with Company approval, be located inside the building adjacent to customer's main disconnects.
4. Customer's interruptible loads will be controlled by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 1 of 5

Section No. 3A
Ninth Revised Sheet No. 6
Replaces Eighth Revised Sheet No. 6

ENERGY STORAGE SERVICE

AVAILABLE

To customers installing certain energy efficient electrical equipment that will increase off-peak electrical use and reduce the Company's On-Peak demand, at points on the Company's existing secondary distribution lines supplied by its interconnected transmission system. The rate has been developed as part of the Company's Demand-Side Management strategy.

APPLICABLE

At the customer's election, to General Service customers who operate Company approved energy storage facilities for the purpose of utilizing off-peak electric energy for space conditioning, water heating, battery charging, water pumping, and/or snowmaking. Electric energy will be supplied through a separately metered circuit utilizing the same transformer and service used to serve the balance of the customer's electrical load.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer. Energy Storage Service will be provided on a Time-Of-Use schedule for qualified Partial Storage and Geothermal systems. The number of off-peak hours available will amount to eight hours each day during the winter season, twelve hours each day during the summer season, and 24 hours a day on weekends and major holidays during both summer and winter seasons.

NET MONTHLY BILL

Rate

Customer Charge

\$13.70 per month (I)

Energy Charge

Off-Peak: \$0.0132 per kWh (I)

On-Peak: \$0.0400 per kWh (I)

Capacity Charge

Off-Peak: no charge

On-Peak: \$11.50 per kW of Billing Capacity (I)

Minimum

The Customer Charge



SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 2 of 5

Section No. 3A
Eighth Revised Sheet No. 7
Replaces Seventh Revised Sheet No. 7

ENERGY STORAGE SERVICE

BILLING CAPACITY

Customer's average kilowatt load during the fifteen minute period of maximum On-Peak use during the month.

Power Factor Adjustment – If the power factor for the month (determined at the Company's option by permanent measurement or by a test of not less than fifteen minute duration under conditions which the Company determines to be normal) is less than eighty-five percent (85%) at the point of delivery, the Billing Capacity will be increased by multiplying by eighty five percent (85%) and dividing by the power factor expressed in percent. Power factor is defined to be the quotient obtained by dividing the kilowatt-hours used during the month by the square root of the sum of the squares of the kilowatt-hours used and the lagging reactive kilovolt-ampere-hours supplied during the same period. Any leading kilovolt-ampere-hours supplied during the period will not be considered.

Penalty for Non-compliance

If a Partial Storage customer exceeds their partial storage Limit (expressed in kW) during peak time periods, a penalty of five (5) times the Capacity Charge per kW will be assessed for the difference in kW that the maximum billing capacity exceeds the partial storage limit. The partial storage limit will be determined using design day load profiles from standard industry load calculation methods. A conversion factor of 0.75 kW per ton will be used for Cool Storage applications.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.



SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 3 of 5

Section No. 3A
Eighth Revised Sheet No. 8
Replaces Seventh Revised Sheet No. 8

ENERGY STORAGE SERVICE

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule or the service contract.
2. Service will be provided under this rate schedule only to customers who have contracted for service for an initial term of not less than three years. The contract may be terminated at any time on or after the expiration date of the initial term by twelve months written notice.
3. The Company will supply and maintain Time-of-Use metering to provide Off-Peak energy to Full Storage systems and to provide On-Peak and Off-Peak energy for Partial Storage and Geothermal systems.
4. The Company shall have the right to inspect all wiring and equipment connected to the storage circuit. In the event the Company finds that the customer's wiring has been altered or arranged in any manner so that energy is used in any equipment other than Company approved energy storage facilities, the contract for service under this rate schedule may be terminated.
5. The Company may, at its option, install in the energy storage circuit load limiting devices to limit the total load to be served through the energy storage circuit.

6. Off-Peak Hours:

<u>Summer Months</u>	(April 1 – October 31)	
	10:00 p.m. – 10:00 a.m.	Monday through Friday

<u>Winter Months</u>	(November 1 – March 31)	
	11:00 p.m. – 7:00 a.m.	Monday through Friday

Both Seasons Saturdays, Sundays, and major holidays are considered Off-Peak.

The hours may be shifted one (1) hour in accordance with the recognized Daylight Savings Time (DST) in the local area and customers will be notified prior to such change.



SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 4 of 5

Section No. 3A
Fifth Revised Sheet No. 9
Replaces Fourth Revised Sheet No. 9

ENERGY STORAGE SERVICE

7. MEANS OF CONTROL:

On Full Storage and Partial Storage systems, Company will install time of use metering to monitor on-peak demand limits. If the On-Peak limit is exceeded the Penalty for Non-Compliance will be assessed.

8. QUALIFIED SYSTEMS:

- A. Full Storage – Available to heating, water heating, cooling, battery storage and water pumping applications that are able to store energy during Off-Peak periods for use during On-Peak periods.
- B. Partial storage – Cooling – Partial storage equipment size must be at least 25% less than conventional equipment size during On-Peak time periods. Chiller equipment, cooling tower pumps and fans, and cool water circulating pumps qualify for the rate. Air handling equipment and hot water circulating pumps do not qualify. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
- C. Partial Storage – Heating and Water Heating – Electric heating and water heating equipment used with Off-Peak storage capability and a heat storage medium (sand, bricks, liquid, etc.) qualify for partial storage when used in the applications listed below. A penalty for non-compliance will be assessed if the partial storage limit is exceeded.
 - 1. An Electric Boiler used in combination with water loop heat pumps qualifies for Partial Storage. The Electric Boiler size must be 25% less than conventional equipment during On-Peak periods. Water-loop heat pumps, air handling equipment, and circulating pumps do not qualify.
 - 2. Resistance Heat and Water Heating qualify for Partial Storage when no more than 50% of the system capacity is allowed to operate during On-Peak periods.
- D. Geothermal Applications – Geothermal heat pumps, associated air handling equipment and circulating pumps qualify for the rate. Supplementary resistance heat associated with each heat pump or supplementary electric boiler heat associated with the geothermal system also qualify for the rate.
- E. Partial Storage – Snowmaking – Partial storage equipment size must be at least 50% less than conventional equipment during On-Peak time periods. Primary snowmaking equipment eligible for the rate includes air compressors and water pumps.



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ENERGY STORAGE SERVICE
RATE DESIGNATION - ES
Page 5 of 5

Section No. 3A
Fifth Revised Sheet No. 10
Replaces Fourth Revised Sheet No. 10

ENERGY STORAGE SERVICE

8. DESIGN REVIEW:

Detailed design information must accompany each Energy Storage Application including:

- A. A 24-hour design day cooling, heating, water pumping, and/or snowmaking load profile using standard industry load calculation methods.
- B. A system description with operating strategy. The Demand-Side Management Department shall review and approve the Energy Storage Application and proposed contract.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED GENERAL SERVICE
RATE DESIGNATION - UCG
Page 1 of 2

Section No. 3A
Seventh Revised Sheet No. 11
Replaces Sixth Revised Sheet No. 11

UTILITY CONTROLLED GENERAL SERVICE (CLOSED)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to customers receiving firm service under provisions of the General Service rate; provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4 kW of Company approved permanently connected customer designated load which can be separately metered. Company approved loads include, but are not limited to, water heating and dual fuel heating systems. Utility controlled service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Company controlled interruptible alternating current, 60 hertz, at the voltage and phase of the Company's established firm service for each customer.

NET MONTHLY BILL

Rate

Customer Charge

\$12.50 per month

(1)

Energy Charge

All usage at \$0.05000 per kWh

(1)

Minimum

The Customer Charge



SOUTH DAKOTA ELECTRIC RATE BOOK

UTILITY CONTROLLED GENERAL SERVICE
RATE DESIGNATION - UCG
Page 2 of 2

Section No. 3A
Seventh Revised Sheet No. 12
Replaces Sixth Revised Sheet No. 12

UTILITY CONTROLLED GENERAL SERVICE (CLOSED)

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be tendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable General Service rates.
3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meter and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to control customer's load. For large controlled loads, the customer's controlled load interrupting device may, with Company approval, be located inside the building adjacent to customer's main disconnects.
4. Customer's interruptible loads will be controlled by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by a governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 1 of 5

Section No. 3A
Eighth Revised Sheet No. 13
Replaces Seventh Revised Sheet No. 13

LARGE DEMAND CURTAILABLE SERVICE (LDC) - (CLOSED)

AVAILABLE

At points on the Company's existing secondary distribution lines supplied by its interconnected transmission system.

APPLICABLE

At the customer's election, to any General Service-Large customer's entire service requirements supplied at one point of delivery when the customer agrees to curtail a minimum designated load under the following conditions:

Minimum Prior Notification	Minimum Curtailment Length	Maximum Curtailment Length
None	6 hours	16 hours

Service is by Large Demand Curtailable Service Agreement only, and is not applicable for temporary, standby, supplementary, emergency, resale, shared, or incidental purposes.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, at a single standard utilization voltage most available to the location of the customer.

NET MONTHLY BILL

Rate

Capacity Charge

\$13.41 per kVA of Billing Capacity

Energy Charge

All usage at \$0.0372 per kWh

(I)

Minimum

The Capacity Charge less Curtailable Load Credit.

CURTAILABLE LOAD CREDIT

The monthly bill shall be reduced for the excess, if any, that Billing Capacity exceeds Firm Service Capacity at \$7.24 per kVA.

(I)



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 2 of 5

Section No. 3A
Fifth Revised Sheet No. 14
Replaces Fourth Revised Sheet No. 14

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

PENALTY FOR NON-COMPLIANCE

If at any time a customer fails to curtail as requested by the Company, a penalty equal to five (5) times the Capacity Charge per kVA for the maximum difference in kVA that the maximum load during any curtailment period within the billing period exceeds the Firm Service Capacity. If more than one curtailment occurs during a billing period and the customer fully complies with at least one curtailment request and does not fully comply with at least one other curtailment request, the penalty for non-compliance will be reduced by multiplying it by the proportion of the total number of curtailments with which the customer failed to comply fully to the number of curtailments ordered.

DETERMINATION OF BILLING CAPACITY

The Billing Capacity in any month shall be the highest of the following:

- a. The kilovolt-ampere (kVA) load during the fifteen-minute period of maximum use during the billing period; or
- b. Eighty percent (80%) of the highest Billing Capacity in any of the preceding eleven (11) months; or
- c. The Firm Service Capacity.



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 3 of 5

Section No. 3A
Fifth Revised Sheet No. 15
Replaces Fourth Revised Sheet No. 15

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

FIRM SERVICE CAPACITY

The customer shall initially designate by Electric Service Agreement a Firm Service Capacity of at least 200 kVA less than: (a) the customer's maximum actual Billing Capacity during the twelve billing periods immediately preceding the election of this rate for existing customer, or (b) maximum estimated Billing Capacity during the twelve billing periods following the election of this rate for new customers.

The Customer shall agree to reduce electric demand to or below the Firm Service Capacity at or before the time specified by the Company in any notice of curtailment. The Customer shall further agree not to create demands in excess of Firm Service Capacity for the duration of each curtailment period. The customer may increase electric demand after the end of the curtailment period as specified by the Company.

SUBSTATION OWNERSHIP DISCOUNT

Customers who furnish and maintain a transformer substation with controlling and protective equipment, with the exception of metering equipment, for the purpose of transforming service from the Company's most available 69 kV distribution facilities or primary distribution voltage (2,400 volts to 24,900 volts) to the customer's utilization voltages, shall receive a monthly credit of \$0.30 per kVA of Billing Capacity for 69 kV distribution facilities and \$0.18 per kVA of Billing Capacity for primary distribution service.



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 4 of 5

Section No. 3A
Seventh Revised Sheet No. 16
Replaces Sixth Revised Sheet No. 16

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

CONTRACT PERIOD

A period of not less than five (5) years and if not then terminated by at least two years prior written notice by either party, shall continue until so terminated. Where service is being initiated or enlarged and requires special investment on the part of the Company, a longer period may be required and shall be as stated in the Electric Service Agreement.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations.
2. Service provided hereunder shall be on a continuous basis. If service is discontinued and then resumed within twelve (12) months after service was first discontinued, the customer shall pay all charges that would have been billed if service had not been discontinued.
3. Curtailment periods will typically be for a minimum of six consecutive hours with the duration and frequency to be at the discretion of the Company. Daily curtailments will not exceed 16 hours total and total curtailment in any calendar year will not exceed 400 hours.



SOUTH DAKOTA ELECTRIC RATE BOOK

LARGE DEMAND CURTAILABLE SERVICE
RATE DESIGNATION - LDC
Page 5 of 5

Section No. 3A
Second Revised Sheet No. 17
Replaces First Revised Sheet No. 17

LARGE DEMAND CURTAILABLE SERVICE - (CLOSED)

TERMS AND CONDITIONS (continued)

4. The Company at its option may terminate the Large Demand Curtailable Service Agreement if the Customer has demonstrated an inability to curtail its loads to the Firm Service Capacity when requested by the Company.
5. General Service – Large customers with Billing Capacities which are not large enough to provide 200 kVA of Curtailable load will be considered by the Company for LDC service on a case-by-case basis.
6. Curtailable service for Industrial Contract Service customers is available, however, the rates and conditions of service will be determined on a case-by-case basis and filed with the South Dakota Public Utilities Commission for review and approval.
7. Federal Medical facilities owning an emergency standby generator of 1,000 kVA or more may receive 100% curtailable LDC service with or without a contract under the provisions provided herein, except the Curtailable Load Credit shall be set at \$0.35 per kVA of the standby generator, but not in excess of the of the annual peak demand. The initial service term shall be one year, with a one year written notice of termination.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

SMALL INTERRUPTIBLE GENERAL SERVICE
RATE DESIGNATION - SIGS
Page 1 of 3

Section No. 3A
Fifth Revised Sheet No. 18
Replaces Fourth Revised Sheet No. 18

SMALL INTERRUPTIBLE GENERAL SERVICE (CLOSED)

AVAILABLE

To customers installing electrical equipment that can be interrupted to reduce the Company's On-Peak demand, at points on the Company's existing secondary distribution lines supplied by its interconnected transmission system. The rate has been developed as part of the Company's Demand-Side Management strategy.

APPLICABLE

At the customer's election, to commercial customers with interruptible electric loads, provided, the customer agrees to allow the Company to interrupt, at any time, a minimum of 4kW of Company approved permanently connected customer designated load which can be separately metered. Company approved loads include, but are not limited to, water heating, deferrable electric loads, and energy storage equipment. Small Interruptible General Service is limited to use which, if interrupted, would not in the opinion of the Company endanger health or safety.

CHARACTER OF SERVICE

Company interruptible, alternating current, 60 Hertz, at the voltage and phase of the Company's established distribution system most available to the location of the customer. Interruptions will occur when conditions exist that are conducive to a Company-wide system peak. No interruptions will occur during weekends or major holidays.

NET MONTHLY BILL

Rate

Customer Charge
\$12.50 per month (I)

Energy Charge
All usage at \$0.05000 per kWh (I)

Capacity Charge
\$ 1.25 per kW of Billing Capacity (I)

Minimum
The Customer Charge plus the minimum Capacity Charge.



SOUTH DAKOTA ELECTRIC RATE BOOK

**SMALL INTERRUPTIBLE GENERAL SERVICE
RATE DESIGNATION - SIGS
Page 2 of 3**

Section No. 3A
Fourth Revised Sheet No. 19
Replaces Third Revised Sheet No. 19

SMALL INTERRUPTIBLE GENERAL SERVICE (CLOSED)

BILLING CAPACITY

The customer's Billing Capacity will be the highest of the following:

- a. The customer's average kilowatt load during the fifteen-minute period of maximum use during the month; or
- b. The customer's highest Billing Capacity in any of the preceding eleven months; or
- c. 25 kW

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TERMS AND CONDITIONS

1. Service will be rendered under the Company's General Rules and Regulations where not inconsistent with any specific provisions of this rate schedule.
2. Service provided hereunder shall be on a continuous basis. Service under this rate shall be for a minimum of twelve consecutive months and thereafter unless the customer then elects to have service provided under other applicable General Service rates.



SOUTH DAKOTA ELECTRIC RATE BOOK

SMALL INTERRUPTIBLE GENERAL SERVICE
RATE DESIGNATION - SIGS
Page 3 of 3

Section No. 3A
Second Revised Sheet No. 20
Replaces First Revised Sheet No. 20

SMALL INTERRUPTIBLE GENERAL SERVICE (CLOSED)

TERMS AND CONDITIONS (continued)

3. Company will supply and maintain the necessary metering and controls. Wiring by the customer shall be such that meters and controls are located outside the building; where the meter and controls are separate, they shall be located as close together as possible. Where necessary, the customer shall supply and maintain the necessary low voltage relay in a Company approved sealable enclosure to enable Company to interrupt customer's usage.
4. The customer's load interrupting device must be located outside adjacent to the Company's metering equipment, and must be wired on the line side of the main disconnect. The load interrupting device shall be capable of interrupting power when signals are received from the Company's control equipment.
5. Customer's interruptible loads will be interrupted by the Company's control equipment and the maximum hours of interruption will not exceed 700 hours per year. Interruptions will occur when conditions exist which are conducive to a Company-wide system peak. No interruptions will occur during weekends and major holidays.
6. An associated firm service account is not necessary to be eligible for Small Interruptible General Service.
7. Service provided hereunder is applicable only for customer interruptible loads that are not backed up by generation located on the customer's electrical distribution system.
8. Tampering or altering the controls will result in forfeiture of service under Small Interruptible General Service. Service would revert to the rates and conditions described in General Service. Company also reserves the option to back bill the customer in accordance to the Company's Rules and Regulations defined in Section 703.3.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 1 of 5

Section No. 3B

Fifth Revised Sheet No. 1
Replaces Fourth Revised Sheet No. 1

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

AVAILABLE

In all territory served by Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers who purchase from the Company all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

EMERGENCY POWER AND ENERGY

Emergency power and energy is that power and energy required by the customer to meet a temporary need due to an emergency breakdown of its generating facilities. Company shall supply emergency energy subject to the availability of such power and energy and further subject to the condition that such supply will not result in impairment of or serious jeopardy of service within the Company's system. Customer agrees to notify the Company by telephone as soon as possible when emergency conditions exist and when able to restore to normal service operations. In addition, customer will confirm notices in writing within 48 hours. Emergency power and energy is not available during period when the Company has requested that customer limit service to its Firm Contract Demand level unless customer is receiving emergency power and energy at the time of Company's request for customer to limit service to the Firm Contract Demand level.

Rate

8.17¢ per kWh



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 2 of 5

Section No. 3B

Fourth Revised Sheet No. 2
Replaces Third Revised Sheet No. 2

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

The kWh shall be determined by multiplying the contract demand for emergency energy (as set forth in customer's contract) by the total elapsed time of such emergency. In no event, however, shall the total kWh billed under this provision exceed the total kWh delivered for all purposes during the period of emergency.

MAINTENANCE POWER AND ENERGY

Maintenance power and energy is that power and energy requested by customer to meet a temporary need due to prearranged maintenance of its generating facilities. Maintenance power and energy shall be limited to a total of 60 days per contract year, and shall be scheduled by mutual agreement between customer and Company. If customer desires maintenance power and energy, customer shall advise Company of the maximum kW required, probable load factor, period required, and estimate of hourly amounts. The quantity once agreed upon shall not be subject to adjustments during said period, except by mutual agreement.

Rate

Daily charge of 24.00¢ per maximum kW agreed to plus 2.92¢ per kWh provided.

FIRM AND INTERRUPTIBLE POWER AND ENERGY

Firm and interruptible power and energy is a block of power and accompanying energy which customer purchases from the Company, and which is not supplied as emergency or maintenance service.

Monthly Rate

Customer Charge

\$10.00 per month

Interconnection Facilities Charge

As set forth in customer's contract.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 3 of 5

Section No. 3B

Fourth Revised Sheet No. 3
Replaces Third Revised Sheet No. 3

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

Demand Charge

\$10.50 per kW of Firm Contract Demand
\$ 5.25 per kW of Interruptible Demand

Energy Charge

All usage at 2.92¢ per kWh

FIRM CONTRACT DEMAND

The Firm Contract Demand, in kW, shall be completed in accordance with customer's contract.

DETERMINATION OF INTERRUPTIBLE DEMAND

Interruptible Demand shall be the maximum average load during any fifteen-minute period of use during the month as measured by the Company's meter in excess of Firm Contract Demand, scheduled maintenance and qualifying emergency service during the respective fifteen-minute period. During periods when the generation output from the qualifying facility does not exceed the minimum accredited output all as specified in the contract, any demand which would otherwise be Interruptible Demand shall be subject to the Firm Contract Demand Charge.

PENALTY FOR FAILURE TO CURTAIL

The Company in its sole discretion may curtail Interruptible service hereunder upon 15 minutes notice to the customer by telephone. In the event customer fails to limit service upon 15 minutes notice from the Company, customer shall pay in addition to all other charges hereunder a penalty of \$30 per kW. Such penalty shall be applied once during each curtailment period in each billing month the Company has requested customer to curtail Interruptible service and shall be computed by multiplying \$30 times the maximum Interruptible Demand during the curtailment period. A curtailment period begins 15 minutes after Company notified customer by telephone to curtail Interruptible service and ends upon subsequent telephone notification by Company.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 4 of 5

Section No. 3B

Fourth Revised Sheet No. 4
Replaces Third Revised Sheet No. 4

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

GENERATION CREDIT

Company shall purchase all output from customer's own generation which is in excess of customer's simultaneous load and which is delivered to the Company's distribution system. The total generation credit will be netted against other charges to customer on each monthly bill.

Rate

3.32¢ per kWh of cogeneration delivered

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

- 1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- 2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect the Company's system.
- 3) The customer shall arrange the electric service wiring to allow the Company to meter (a) the customer's load requirements which are in excess of the simultaneous output from their own generation, and (b) the customer's output which is delivered to the Company. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 1
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING
RATE DESIGNATION - SP-SCHED 1
Page 5 of 5

Section No. 3B

Sixth Revised Sheet No. 5
Replaces Fifth Revised Sheet No. 5

SCHEDULE 1
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS NET BILLING

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment (T) tariffs in Section No. 3C, Tariff Sheet No. 11.

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment, or charge imposed or levied by a governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 2
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE
RATE DESIGNATION - SP-SCHED 2
Page 1 of 3

Section No. 3B

Fourth Revised Sheet No. 6
Replaces Third Revised Sheet No. 6

SCHEDULE 2
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE

AVAILABLE

In all territory served by Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers who purchase their entire electric load requirements from the Company and sell the entire output from their own generation to the Company. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

ELECTRIC LOAD REQUIREMENT PURCHASES

The customer shall purchase all electric service requirements under the applicable regularly filed and published retail rate schedules of the Company.

COGENERATION SALES TO THE COMPANY

The Company shall purchase all energy generated by customer each month.

Rate

3.32¢ per kWh of cogeneration.

INTERCONNECTION FACILITIES CHARGE

As set forth in customer's contract.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 2
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE
RATE DESIGNATION - SP-SCHED 2
Page 2 of 3

Section No. 3B

Fourth Revised Sheet No. 7
Replaces Third Revised Sheet No. 7

SCHEDULE 2
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE

MONTHLY BILLING

Monthly bills will be issued by the Company. Each bill will show: (1) the total amount due from the customer for service under each applicable rate schedule; (2) the total amount due from the Company for purchase of all cogeneration energy; (3) the amount due from the customer for the Interconnection Facilities Charge; and (4) the net amount due from either party.

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:

- 1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- 2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.
- 3) The customer shall arrange the electric service wiring to allow the Company to meter the customer's total electric load requirements and total output from their own generation through separate and distinct meters. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.
- 4) Except for the metering, the customer shall own and maintain all facilities on the customer's side of a single point of delivery as specified by Company. The customer's system, including interconnecting equipment, shall meet the requirements of and be inspected and approved by state electrical inspectors and any other public authority having jurisdiction before any connection is made to Company.



SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 2
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE
RATE DESIGNATION - SP-SCHED 2
Page 3 of 3

Section No. 3B

Sixth Revised Sheet No. 8
Replaces Fifth Revised Sheet No. 8

SCHEDULE 2
COGENERATION AND SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS PURCHASE AND SALE

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No. 3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.

TAX ADJUSTMENT

Bills computed under the above rate shall be adjusted by the applicable proportionate part of any impost, assessment or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue for electric energy or service sold, and/or the volume of energy generated and sold.



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 10 and 44 (SD875)
Rate Code 12 and 44 (SD876)
Rate Code 16 and 44 (SD887)
Rate Code 20 and 44 (SD878)

SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 3
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS POWER
RATE DESIGNATION SP-SCHED 3
Page 1 of 2

Section No. 3B

Fourth Revised Sheet No. 9
Replaces Third Revised Sheet No. 9

SCHEDULE 3 COGENERATION AND SMALL POWER PRODUCTION SERVICE SIMULTANEOUS POWER

AVAILABLE

In all territory served by the Company in the State of South Dakota to customers who operate cogeneration or small power production facilities with a design capacity of 100 kilowatts or less and who meet the requirements of qualifying facilities as defined under Title 18 of the Code of Federal Regulations, Part 292, and who execute a contract for service hereunder with the Company for a term of not less than one year.

APPLICABLE

To customers taking service under any other rate schedule of the Company for all electric load requirements which are in excess of the simultaneous output from their own generation and sell to the Company all output which is in excess of the simultaneous load. This schedule is not applicable to customers who install electrical generation facilities for the purpose of supplying electrical energy to offset in whole or in part energy requirements not otherwise supplied by Company.

GENERATION CREDIT

Company shall purchase all output from customer's own generation which is in excess of customer's simultaneous load and which is delivered to the Company's distribution system. The total generation credit will be netted against other charges to customer on each monthly bill.

Rate

3.32¢ per kWh of cogeneration delivered

PARALLEL OPERATION

Interconnection of the customer's generation with Company's system will be permitted only under the terms of a contract between customer and Company. Such contract shall include but not be limited to the following:



Black Hills Power, Inc.
Rapid City, South Dakota

Rate Code 10 and 44 (SD875)
Rate Code 12 and 44 (SD876)
Rate Code 16 and 44 (SD887)
Rate Code 20 and 44 (SD878)

SOUTH DAKOTA ELECTRIC RATE BOOK

SCHEDULE 3
COGENERATION & SMALL POWER PRODUCTION SERVICE
SIMULTANEOUS POWER
RATE DESIGNATION SP-SCHED 3
Page 2 of 2

Section No. 3B

Fourth Revised Sheet No. 10
Replaces Third Revised Sheet No. 10

SCHEDULE 3 **COGENERATION AND SMALL POWER PRODUCTION SERVICE** **SIMULTANEOUS POWER**

- 1) The customer shall indemnify and hold harmless the Company from any and all liability arising from the installation, interconnection, and operation of the customer's facilities. The amount of such insurance coverage shall be at least \$300,000 per occurrence. Customer shall furnish certification of compliance and provide written 90-day notice of any changes to the Company.
- 2) The customer shall provide a lockable disconnect switch to isolate the customer's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the customer's facilities may adversely affect Company's system.
- 3) The customer shall arrange the electric service wiring to allow the Company to meter (a) the customer's load requirements which are in excess of the simultaneous output from their own generation, and (b) the customer's output which is delivered to the Company. The customer shall pay the Company a monthly charge to cover the fixed costs of the additional metering equipment required to be furnished by the Company.

RULES AND REGULATIONS

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

Date Filed: March 31, 2014
Docket: EL14-

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2014

004206



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Seventh Revised Sheet No. 1

Page 1 of 4

Cancels Sixth Revised Sheet No. 1

FUEL AND PURCHASED POWER ADJUSTMENT

(T)

APPLICABLE

(N)

This Fuel and Purchased Power Adjustment (FPPA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The FPPA shall be calculated annually based on actual system costs for Fuel and Purchased Power (FPP) for the twelve months of April through March as compared to the base year FPP costs, and shall include an over-or-under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a FPPA filing with the Commission on an annual basis no later than May 10th. The FPPA, as shown below, will be effective beginning June 16, 2013.

FUEL AND PURCHASED POWER ADJUSTMENT CALCULATION

For the Twelve months
ended March 31, 2014

1.	Annual System FPP Costs	\$ _____	
2.	Annual System Energy Sales	_____	kWh
3.	FPP Cost / kWh (Line 1 + Line 2)	\$ _____	/kWh
4.	Approved Base FPP Costs	\$ 0.0146	/kWh
5.	FPP Cost / kWh Difference (Line 3 – Line 4)	\$ _____	/kWh
6.	Total FPP Change from Base (Line 2 x Line 5)	\$ _____	
7.	South Dakota Annual Retail Energy Sales	_____	kWh
8.	Total SD (Refund)/Charge (Line 5 x Line 7)	\$ _____	
9.	SD Balancing Account (+/-)	\$ _____	
10.	Rate Case True-up Items	\$ (217,097)	
11.	Net SD Amount to (Refund)/Charge (Line 8 + Line 9 + Line 10)	\$ _____	
12.	Projected South Dakota Retail Energy Sales	_____	kWh
13.	SD FPPA (Line 11 + Line 12)	\$ _____	/kWh



SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Page 2 of 4

Third Revised Sheet No. 2

Cancels Second Revised Sheet No. 2

(T)

FUEL AND PURCHASED POWER ADJUSTMENT

(N)

ANNUAL SYSTEM FUEL AND PURCHASED POWER (FPP) COSTS (Line 1)

FPP Costs include all purchased power; fuel consumed for plant generation, including but not limited to coal, fuel oil and natural gas; plus costs for certain re-agents used in conjunction with fuel consumed for plant generation; less costs associated with Power Marketing; and a sharing of Power Marketing Operating Income. The Annual System FPP Costs shall be calculated on an annual basis using the total of:

- a. Total fuel costs of the Company's generation for items listed in the Federal Energy Regulatory Commission's (FERC) Accounts: 501 for Fuel and 547 for Other Power Production, as well as any other costs of fuel consumed to generate electricity not listed in these two accounts. The base price for coal, included in this cost, is determined in accordance with the methodology set forth in the Statement R of the Company's 2005 rate application Docket Number EL06-019;
- b. The costs of re-agents necessary to use in conjunction with fuel consumed for plant generation. This includes lime and the associated freight, ammonia and other chemicals.
- c. The costs of all energy purchases listed under FERC account 555;
- d. Less, Ninety percent (90%) of the share of margin generated by the sale of Renewable Energy Credits;
- e. Less, FPP used for Power Marketing Sales; and
- f. Less a share of Power Marketing Operating Income as described below.

POWER MARKETING OPERATING INCOME (PMOI)

As an incentive to provide the lowest cost FPP to customers, Power Marketing revenues and expenses will be included in the Fuel and Purchase Power Adjustment clause as follows:

- a. Power Marketing Sales revenues are defined as short-term (generally less than one year) energy sales to wholesale customers and sales of emission allowances.
- b. The Company's long-term (generally more than one year) customer obligations will be served with the lowest cost resources during each hour that the Company engages in Power Marketing Sales except for the following: 1) Any renewable resource energy; and 2) Specific energy blocks, up to 75MW, purchased to cover energy needs for 3 weeks or more. For these two situations, the cost of energy shall be directly assigned to the Company's long-term customers. Any remaining resources may be scheduled for, and if scheduled will be charged to, Power Marketing Sales as the costs of goods sold.
- c. Fifty percent (50%) of the base salary and benefit costs of the Company's generation dispatch and power marketing personnel shall be included as a power marketing expense



SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 3

Page 3 of 4

Cancels Second Revised Sheet No. 3

FUEL AND PURCHASED POWER ADJUSTMENT

(T)

(N)

POWER MARKETING OPERATING INCOME (Continued)

- d. Any transmission expense incurred to facilitate Power Marketing Sales shall be included as an expense.
- e. Bonuses payable to the Company's generation dispatch and power marketing personnel as a result of Power Marketing Sales shall be included as an expense.
- f. Any specifically identified expenses associated with Power Marketing Sales, such as legal expense or bad debt expense, shall be included as an expense.

SHARING OF POWER MARKETING OPERATING INCOME

The calculated Pre-Tax PMOI will be multiplied by 65% to determine the amount of the credit to be applied as a credit to the FPP costs.

The Power Marketing Operating Income Credit shall not be less than \$2,000,000.

ANNUAL SYSTEM ENERGY SALES (Line 2)

Annual System Energy Sales are the total kilowatt hours associated with the FERC accounts for Sales of Electricity by Rate Schedules and Sales for Resale, less Power Marketing Sales.

BASE FPP COSTS (Line 4)

The Base FPP Costs are as approved by the Commission in Docket EL09-018.

SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES (Line 7)

The South Dakota Annual Retail Energy Sales are the total South Dakota retail energy kilowatt hour sales for the previous period for all classes of service authorized by the Commission.

SD BALANCING ACCOUNT (Line 9)

This Balancing Account amount on Line 9 (positive or negative) is the Line 10 amount from the previous filing (SD Net Amount to (Refund)/Charge) less the actual FPPA amount (Refunded) or Charged for the period, adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The FPPA (Refund)/Charge will be applied monthly to the Balancing Account, first to the interest balance, and thereafter to the principal amount.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Page 4 of 4

Third Revised Sheet No. 4

Cancel Second Revised Sheet No. 4

(T)

FUEL AND PURCHASED POWER ADJUSTMENT

(N)

RATE CASE TRUE-UP ITEMS (Line 10)

The Rate Case True-up Items adjustment includes items that need to be charged or (refunded) to customers as a result of rate case items to be handled outside of the general rate case. These items are handled in the time period required per the outcome of each case. The total dollar amount may reflect items from various cases.

NET SD AMOUNT TO (REFUND)/CHARGE (Line 11)

The net amount to refund or charge customers is the South Dakota's share of the total Net FPP costs adjusted by the Balancing Account (Line 8 + Line 9 + Line 10).

PROJECTED SOUTH DAKOTA RETAIL ENERGY SALES (Line 12)

These are the kilowatt hours of retail sales projected for the State of South Dakota for the period that the FPPA (Line 12) will be in effect.

SD FUEL AND PURCHASED POWER ADJUSTMENT (Line 13)

The FPPA on Line 12 shall be included in the Company's annual Energy Cost Adjustment and shall be applied to all rate schedules in all classes of service authorized by the Commission.

EFFECTIVE DATE

The FPPA will be updated and filed annually with the effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

PHASE IN PLAN RATE

Section No. 3C

Eleventh Revised Sheet No. 5

Page 1 of 1

Cancels Tenth Revised Sheet No. 5

PHASE IN PLAN RATE

APPLICABLE

The Phase In Plan Rate (PIPR) applies to all rate schedules for all classes of service authorized by the Commission.

The PIPR shall be calculated based on forecasted calculated revenue requirements as outlined in Docket No. EL12-062 and forecasted kWh and kW/kVA billing by customer class, as described below, and shall include an over-or-under recovery through the Balancing Account, including a true up component. (T)

PHASE IN PLAN RATE

The PIPR shall be determined by allocating the revenue requirement by the Customer Class Allocators listed on Table 1, Section No. 3C, Tariff Sheet No. 16. The net revenue requirement shall include an over or under recovery from prior adjustments through the Balancing Account. The PIPR revenue requirement for each customer class shall be divided by the forecasted kWh or kW/kVA billing by customer class for the timeframe PIPR is being calculated. The PIPR rate shall be rounded to the nearest \$0.00001 per kWh or \$0.01 per kW/kVA. (T)

The PIPR rate may be adjusted with approval of the Commission. The PIPR Rate is as follows:

Residential Service:	\$0.00 / kWh	(D)
General Service Small:	\$0.00 /kW	(D)
General Service Large:	\$0.00 /kVA	(D)(T)
Industrial Contract Service:	\$0.00 /kVA	(D)(T)
Lighting Service:	\$0.00 /kWh	(D)

PIPR Balancing Account amount is the difference between 1) the actual PIPR Revenue Requirement by customer class and 2) the actual amount recovered by customer class in the respective timeframe through the PIPR. The true up component consists of forecasted costs being trued up to actual costs; any variance will flow through the Balancing Account. The Balancing Account amount shall have interest applied or credited monthly at the annual rate of seven percent (7%).

Forecasted Retail Billing Volumes shall be the estimated total retail electric billing kWh for the designated recovery period for the Residential and Lighting customers, effective November 1. The Small General Service, Large General Service and the Industrial Contract Service customer classes, effective November 1 shall be the total retail electric billing kW/kVA for the designated recovery period. (T)

EFFECTIVE DATE

The PIPR shall be effective for rates on and after April 1, and updated on a regular basis. Each PIPR compliance filing shall be made no later than 30 days prior to the requested effective date for Commission review and audit. Rates are effective on an interim basis and are subject to refund should the Commission find issue with the rate calculation under this tariff. The rates are subject to true-up and are further subject to the Commission's right to perform an annual review and to adjust the PIPR as a result of that annual review. (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Sixth Revised Sheet No. 5A
Cancels Fifth Revised Sheet No. 5A

(Reserved)

(T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Fourth Revised Sheet No. 6
Cancels Third Revised Sheet No. 6

(Reserved)

(T)

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Director of Rates

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004213



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Fourth Revised Sheet No. 7
Cancels Third Revised Sheet No. 7

(Reserved)

(T)

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Seventh Revised Sheet No. 8
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(Reserved)

(T)

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004215



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Third Revised Sheet No. 9
Cancels Second Revised Sheet No. 9

(Reserved)

(T)

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004216



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 3C
Third Revised Sheet No. 10
Cancels Second Revised Sheet No. 10

(Reserved)

(T)

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Director of Rates

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004217



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

COST ADJUSTMENT SUMMARY

Section No. 3C
Twelfth Revised Sheet No. 11
Cancels Eleventh Revised Sheet No. 11

Page 1 of 1

COST ADJUSTMENT SUMMARY

Rate Schedule	Base Costs ¹	ECA ²	EIA ³	EESA ⁴	TFA ⁵	Total Rate (\$/kWh)
Residential Services	\$0.0227	\$0.00352	\$0.0005	\$0.0004	\$0.0000	\$0.02712
Small General Service	\$0.0227	\$0.00402	\$0.0005	\$0.0002	\$0.0000	\$0.02742
Large General Service	\$0.0227	\$0.00362	\$0.0003	\$0.0002	\$0.0000	\$0.02682
Industrial Contract Service	\$0.0227	\$0.00302	\$0.0003	\$0.0002	\$0.0000	\$0.02622
Lighting Service	\$0.0227	\$0.00362	\$0.0002	\$0.0002	\$0.0000	\$0.02672

¹Base Costs are comprised of:

Base FPP Costs of \$0.0146/kWh as approved by the South Dakota Public Utilities Commission (the Commission) in Docket EL09-018; prior to June 16, 2013 the Base FPP Costs were recovered through base rates

Base Transmission Costs of \$0.0081 as approved by the Commission in Docket EL09-018; prior to June 16, 2013 the Base Transmission Costs were recovered through base rates

²Energy Cost Adjustments (ECA) is comprised of:

Fuel and Purchased Power Adjustment (FPPA) Sheet No. 12
(Effective October 1, 2014)
Transmission Cost Adjustment (TCA) – Sheet No. 17
Fuel and Purchase Power Adjustment (FPPA) Sheet No. 1
(Effective June 16, 2013)

(T)

³Environmental Improvement Adjustment (EIA) – Sheet No. 20

⁴Energy Efficiency Solutions Adjustments (EESA) Sheet No. 21

⁵Transmission Facility Adjustment (TFA) Sheet No. 22

Date Filed: March 31, 2014
Docket: EL14-

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2014

004218



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Fifth Revised Sheet No. 12

Cancels Fourth Revised Sheet No. 12

Page 1 of 4

FUEL AND PURCHASED POWER ADJUSTMENT

APPLICABLE

(N)

This Fuel and Purchased Power Adjustment (FPPA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The FPPA shall be calculated annually based on actual system costs for Fuel and Purchased Power (FPP) for the twelve months of April through March as compared to the base year FPP costs, and shall include an over-or-under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a FPPA filing with the Commission on an annual basis no later than May 10th.

FUEL AND PURCHASED POWER ADJUSTMENT CALCULATION

For the Twelve months ended _____

1.	Annual System FPP Costs	\$ _____	
2.	Annual Retail Energy Sales	_____	kWh
3.	FPP Cost / kWh (Line 1 ÷ Line 2)	\$ _____	/kWh
4.	Approved Base FPP Costs	\$ 0.0146	/kWh
5.	FPP Cost / kWh Difference (Line 3 – Line 4)	\$ _____	/kWh
6.	Total FPP Change from Base (Line 2 x Line 5)	\$ _____	
7.	South Dakota Annual Retail Energy Sales	_____	kWh
8.	Total SD (Refund)/Charge (Line 5 x Line 7)	\$ _____	
9.	SD Balancing Account (+/-)	\$ _____	
10.	Incremental SD Jurisdictional Costs	\$ _____	
11.	Rate Case True-up Items	\$ _____	
12.	Net SD Amount to (Refund)/Charge (Line 8 through Line 11)	\$ _____	
13.	Projected South Dakota Retail Energy Sales	_____	kWh
14.	SD FPPA (Line 12 ÷ Line 13)	\$ _____	/kWh



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

First Revised Sheet No. 13

Page 2 of 4

Cancels Original Sheet No. 13

FUEL AND PURCHASED POWER ADJUSTMENT

ANNUAL SYSTEM FUEL AND PURCHASED POWER (FPP) COSTS (Line 1)

(N)

FPP Costs include all purchased power; fuel consumed for plant generation, including but not limited to coal, fuel oil and natural gas; plus costs for certain re-agents used in conjunction with fuel consumed for plant generation less costs associated with Power Marketing; and a sharing of Power Marketing Operating Income. The Annual System FPP Costs shall be calculated on an annual basis using the total of:

- a. Total fuel costs of the Company's generation for items listed in the Federal Energy Regulatory Commission's (FERC) Accounts: 501 for Fuel and 547 for Other Power Production, as well as any other costs of fuel consumed to generate electricity not listed in these two accounts. The base price for coal, included in this cost, is determined in accordance with the methodology set forth in the Statement R of the Company's 2006 rate application Docket No. EL06-019;
- b. The costs of re-agents necessary to use in conjunction with fuel consumed for plant generation. This includes lime and the associated freight, ammonia and other chemicals.
- c. The costs of all energy or short term capacity purchases listed under FERC account 555;
- d. Less, Ninety percent (90%) of the share of margin generated by the sale of Renewable Energy Credits;
- e. Less, FPP used for Power Marketing Sales; and
- f. Less a share of Power Marketing Operating Income as described below.

POWER MARKETING OPERATING INCOME (PMOI)

As an incentive to provide the lowest cost FPP to customers, Power Marketing revenues and expenses will be included in the Fuel and Purchase Power Adjustment clause as follows:

- a. Power Marketing Sales revenues are defined as short-term (generally less than one year) energy or capacity sales to wholesale customers and sales of emission allowances.
- b. The Company's long-term (generally one year or longer) customer obligations will be served with the lowest cost resources during each hour that the Company engages in Power Marketing Sales except for the following: 1) Any renewable resource energy; and 2) Specific energy or capacity blocks, up to 75MW, purchased to cover capacity needs for 3 weeks or more [but not to exceed 6 months] in length. For these two situations, the cost of capacity or energy shall be directly assigned to the Company's long-term customers. Any remaining resources may be scheduled for, and if scheduled will be charged to, Power Marketing Sales as the costs of goods sold.
- c. Fifty percent (50%) of the base salary and benefit costs of the Company's generation dispatch and power marketing personnel shall be included as a power marketing expense



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

Section No. 3C

Second Revised Sheet No. 14

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Cancels First Revised Sheet No. 14

FUEL AND PURCHASED POWER ADJUSTMENT

POWER MARKETING OPERATING INCOME (Continued)

(N)

- d. Any transmission expense incurred to facilitate Power Marketing Sales shall be included as an expense.
- e. Bonuses payable to the Company's generation dispatch and power marketing personnel as a result of Power Marketing Sales shall be included as an expense.
- f. Any specifically identified expenses associated with Power Marketing Sales, such as legal expense or bad debt expense, shall be included as an expense.

SHARING OF POWER MARKETING OPERATING INCOME

The calculated Pre-Tax PMOI will be multiplied by 65% to determine the amount of the credit to be applied as a reduction to the FPP costs.

ANNUAL RETAIL ENERGY SALES (Line 2)

Annual Retail Energy Sales are the total sales of Electricity, for retail customers.

BASE FPP COSTS (Line 4)

The Base FPP Costs are as approved by the Commission in Docket No. EL09-018.

SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES (Line 7)

The South Dakota Annual Retail Energy Sales are the total South Dakota retail energy kilowatt hour sales for the previous period for all classes of service authorized by the Commission.

SD BALANCING ACCOUNT (Line 9)

This Balancing Account amount on Line 9 (positive or negative) is the amount from the previous filing (SD Net Amount to (Refund)/Charge) less the actual FPPA amount (Refunded) or Charged for the period, adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The FPPA (Refund)/Charge will be applied monthly to the Balancing Account, first to the interest balance, and thereafter to the principal amount.

INCREMENTAL SD JURISDICTIONAL COSTS (Line 10)

These costs represent the difference of the actual ad valorem and wholesale contract revenue as compared to the amount in base rates as approved in Docket No. EL14-____, Statement P, page 1, lines 19 and 27.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

FUEL AND PURCHASED POWER ADJUSTMENT

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Section No. 3C
Second Revised Sheet No. 15
Cancels First Revised Sheet No. 15

FUEL AND PURCHASED POWER ADJUSTMENT

RATE CASE TRUE-UP ITEMS (Line 11)

(N)

The Rate Case True-up Items adjustment includes items that need to be charged or (refunded) to customers as a result of rate case items to be handled outside of the general rate case. These items are handled in the time period required per the outcome of each case. The total dollar amount may reflect items from various cases.

NET SD AMOUNT TO (REFUND)/CHARGE (Line 12)

The net amount to refund or charge customers is the South Dakota's share of the total Net FPP costs adjusted by the Balancing Account (Line 8 through Line 11).

PROJECTED SOUTH DAKOTA RETAIL ENERGY SALES (Line 13)

These are the kilowatt hours of retail sales projected for the State of South Dakota for the period that the FPPA (Line 14) will be in effect.

SD FUEL AND PURCHASED POWER ADJUSTMENT (Line 14)

The FPPA on Line 14 shall be included in the Company's annual Energy Cost Adjustment and shall be applied to all rate schedules in all classes of service authorized by the Commission.

EFFECTIVE DATE

The FPPA will be updated and filed annually with the effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 16

Page 1 of 4

Cancels Second Revised Sheet No. 16

TRANSMISSION COST ADJUSTMENT

APPLICABLE

This Transmission Cost Adjustment (TCA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission). The TCA shall be calculated annually based on actual system transmission costs for the twelve months April through March as compared to the base year transmission costs, and shall include an over-or-under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make a TCA filing with the Commission on an annual basis no later than May 10th.

<u>TRANSMISSION COST ADJUSTMENT CALCULATION</u>		For the Twelve months ended March 31, 2013	(T)
1.	Annual System Transmission Costs	\$ 19,461,269	(R)
2.	Power Marketing Transmission Costs	\$ 1,295,179	(R)
3.	Transmission Costs Reimbursed by Others	\$ 1,412,210	(I)
4.	Net Transmission Costs (Line 1 – Line 2 – Line 3)	\$ 16,753,880	(R)
5.	Annual Retail Energy Sales	1,706,867,885 kWh	(I)
6.	Adjusted Transmission Costs (Line 4 ÷ Line 5)	\$ 0.0098 /kWh	(R)
7.	Base Transmission Costs	\$ 0.0081 /kWh	
8.	Difference (Line 6 – Line 7)	\$ 0.0017 /kWh	(R)
9.	South Dakota Annual Year Retail Energy Sales	1,488,492,737 kWh	(I)
10.	Transmission Costs to South Dakota (Line 8 x Line 9)	\$ 2,530,438	(R)
11.	For Each Customer Class Calculate the Customer Class Allocation of Total South Dakota Transmission Expense Based Upon Class Allocators in Table 1 – Multiply Each Class Allocator by Line 10		

	Customer Class Allocation Factor	Allocated Amount	
Residential Service	34.00%	\$860,349	(R)
Small General Service	34.33%	\$868,699	(R)
Large General Service	20.73%	\$524,560	(R)
Industrial Contract Service	9.97%	\$252,285	(R)
Lighting Service	0.97%	\$ 24,545	(R)

Date Filed: April 30, 2013

By: Chris Kilpatrick
Director of Resource Planning and
Rates

Effective Date: June 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C

Third Revised Sheet No. 17

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Cancels Second Revised Sheet No. 17

TRANSMISSION COST ADJUSTMENT

12.	Balancing Account (+/-) for each South Dakota Customer Class	\$ <u>145,938</u>	(R)
	Residential Service	\$ 49,619	
	Small General Service	\$ 50,101	
	Large General Service	\$ 30,253	
	Industrial Contract Service	\$ 14,550	
	Lighting Service	\$ 1,416	
13.	Total Transmission Cost for each South Dakota Customer Class (Refund)/Charge (Line 11 + Line 12)		
	Residential Service	\$ 909,968	
	Small General Service	\$ 918,800	
	Large General Service	\$ 554,813	
	Industrial Contract Service	\$ 266,835	
	Lighting Service	\$ 25,961	
14.	Forecast South Dakota Customer Class Annual Retail Energy Sales (kWh/Class)		
	Residential Service	522,093,897	
	Small General Service	424,088,428	
	Large General Service	313,371,613	
	Industrial Contract Service	221,146,481	(I)
	Lighting Service	14,092,317	(I)
15.	South Dakota Customer Class Transmission Cost Adjustment (Line 13/Line 14)		
	Residential Service	\$ <u>0.0017/kWh</u>	(R)
	Small General Service	\$ <u>0.0022/kWh</u>	
	Large General Service	\$ <u>0.0018/kWh</u>	
	Industrial Contract Service	\$ <u>0.0012/kWh</u>	
	Lighting Service	\$ <u>0.0018/kWh</u>	

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Director of Resource Planning and Rates

Effective Date: June 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

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Original Sheet No. 18

(N)

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TRANSMISSION COST ADJUSTMENT

Table 1 – South Dakota Customer Class Capacity Allocation Factors

South Dakota Customer Class	Customer Class Capacity Allocation Factor
Residential Service	34.00%
Small General Service	34.33%
Large General Service	20.73%
Industrial Contract Service	9.97%
Lighting Service	0.97%

TRANSMISSION SERVICES

The TCA shall recover the charges under the Company's Joint Open Access Transmission Tariff approved by the Federal Energy Regulatory Commission (FERC). The TCA may also include allowed charges billed to the Company by any other transmission provider.

Transmissions Services shall include all Network Integrated Transmission Service, all Point-to-Point Transmission Service, including all associated ancillary service charges, and regulation expenses, required to support the Company's system energy sales.

ANNUAL SYSTEM TRANSMISSION COSTS (Line 1)

The Annual System Transmission Costs are the total Company annual year costs for Transmission Services.

POWER MARKETING TRANSMISSION COSTS (Line 2)

Power Marketing Sales are defined as short-term sales to wholesale customers. The Power Marketing Transmission Costs are those transmission costs incurred in facilitating Power Marketing Sales.

TRANSMISSION COSTS REIMBURSED BY OTHERS (Line 3)

These are the transmission costs of the Company that are reimbursed by others.

ANNUAL RETAIL ENERGY SALES (Line 5)

Annual Retail Energy Sales are the total of FERC accounts for Sales of Electricity by Rate Schedules.

BASE TRANSMISSION COSTS (Line 7)

The Base Transmission Costs are as approved by the Commission in Docket EL09-018.

SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES (Line 9)

The South Dakota Annual Year Retail Energy Sales are the total South Dakota retail energy sales for all classes of service authorized by the Commission.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

TRANSMISSION COST ADJUSTMENT

Section No. 3C

First Revised Sheet No. 19

Cancels Original Sheet No. 19

Page 4 of 4

(N)

TRANSMISSION COST ADJUSTMENT

TRANSMISSION COSTS TO SOUTH DAKOTA (Line 10)

This is the total dollar amount of Transmission Costs allocated to all South Dakota retail customers.

CUSTOMER CLASS CAPACITY ALLOCATION OF TRANSMISSION EXPENSE (Line 11)

This is the total South Dakota transmission expense multiplied by each of the customer class capacity allocators to determine the allocated share of the transmission costs (Line 10) for each customer class.

BALANCING ACCOUNT FOR EACH CUSTOMER CLASS (Line 12)

This Balancing Account Amount on Line 12 (positive or negative) is the Line 13 amount for each South Dakota customer class from the previous filing (Total Transmission Costs for each South Dakota Customer Class) less the actual TCA (Refund)/Charge from each customer class for the annual year as adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The TCA (Refund)/Charge will be applied monthly to the Balancing Account for each customer class, first to the interest balance, and thereafter to the principal amount.

TOTAL TRANSMISSION COSTS FOR EACH SOUTH DAKOTA CUSTOMER CLASS (Line 13)

This is the total dollar amount to be collected from or reimbursed to each South Dakota Customer Class.

FORECAST SOUTH DAKOTA ANNUAL RETAIL ENERGY SALES BY CUSTOMER CLASS (Line 14)

These are the kilowatt hours of South Dakota retail sales projected by customer class for the period that the TCA (Line 15) will be in effect.

TRANSMISSION COST ADJUSTMENT (Line 15)

The TCA on Line 15 shall be included in the Company's annual Energy Cost Adjustment and shall be applied to all rate schedules in all classes of service authorized by the Commission. Each customer class TCA is calculated by dividing class allocated expense (Line 13) by the forecast kilowatt hours of retail sales for each customer class (Line 14).

SOUTH DAKOTA CUSTOMER CLASS CAPACITY ALLOCATION FACTORS (Table 1)

The South Dakota Customer Class Capacity Allocation Factors in Table 1 are as approved by the Commission in Docket Number EL06-019.

EFFECTIVE DATE

The TCA will be updated and filed each year thereafter with the effective date of June 1st.

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013

004226



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

ENVIRONMENTAL IMPROVEMENT ADJUSTMENT

Section No. 3C

Second Revised Sheet No. 20

Page 1 of 1

Cancels First Revised Sheet No. 20

ENVIRONMENTAL IMPROVEMENT ADJUSTMENT

APPLICABLE

This Environmental Improvement Adjustment (EIA) applies to all rate schedules for all classes of service authorized by the Commission.

The EIA shall be calculated annually based on actual kWh retail sales for the twelve months of June through May as compared to the actual costs, and shall include an over or under recovery from prior years' adjustments through the Balancing Account. The Company will update and make an EIA filing with the Commission on an annual basis no later than February 15th.

ENVIRONMENTAL IMPROVEMENT ADJUSTMENT RATE

An EIA rate shall be determined by dividing the environmental improvement revenue requirement for the period April 1st through March 31st of each year and the forecasted balance of the EIA Balancing Account divided by the forecasted retail sales volumes for the period June 1st through May 31st for each upcoming year. The EIA rate shall be rounded to the nearest \$0.0001 per kWh.

The EIA rate may be adjusted annually with approval of the Commission. The EIA rate is:

Residential	\$0.0005 per kWh
Small General Service	\$0.0005 per kWh
Large General Service and Industrial	\$0.0003 per kWh
Lighting	\$0.0002 per kWh

Environmental Improvement Revenue Requirement shall be the annual revenue requirements associated with environmental improvements eligible for recovery under SDCL 49-34A-97 and approved by the Commission.

EIA Balancing Account shall be the annual environmental improvement amount approved by the Commission from the previous filing less the actual environmental improvement adjustment amount recovered during the year. The Balancing Account amount shall have interest applied or credited monthly at the annual rate of seven percent (7%).

Forecasted Retail Sales Volumes shall be the estimated total retail electric sales kWh for the designated recovery period.

EFFECTIVE DATE

The EIA will be updated and filed each year on or before February 15th with forecasted financial information and then again no later than April 30th with actual financial information, and with the effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT

Section No. 3C

First Revised Sheet No. 21

Cancels Original Sheet No. 21

Page 1 of 1

ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT

APPLICABLE

This Energy Efficiency Solutions Adjustment (EESA) applies to all rate schedules for all classes of service authorized by the South Dakota Public Utilities Commission (Commission).

The EESA shall be calculated annually based on actual versus forecasted energy efficiency solutions program costs and kWh retail sales for the applicable rate schedules for the twelve months of June through May to coincide with other Black Hills Power adjustment clause mechanisms, and shall include an over or under recovery from prior years' adjustments through the Balancing Account. Black Hills Power, Inc. (the Company) will update and make an EESA filing with the Commission on an annual basis no later than April 30th. Since the energy efficiency solutions programs will be implemented September 1, 2011, the first year rate recovery period will be from September 1, 2011 through May 31, 2012 and the last rate recovery period for the three year program will be from June 1, 2013 through May 31, 2014.

ENERGY EFFICIENCY SOLUTIONS ADJUSTMENT RATE

An EESA rate shall be determined by dividing the energy efficiency program costs and the forecasted balance of the EESA Balancing Account by the forecasted retail sales volumes for the upcoming year. The EESA rate shall be rounded to the nearest \$0.0001 per kWh.

The EESA rate may be adjusted annually with approval of the Commission. The EESA rates for the applicable rate schedules are:

Residential: \$0.0004
Commercial/Industrial: \$0.0002

Energy Efficiency Solutions Program Costs shall include all expenses, costs and lost margins associated with energy efficiency programs and that are approved by the Commission. All revenues recovered pursuant to the Energy Efficiency Solutions Adjustment shall be credited to the Balancing Account.

EESA Balancing Account amount is the energy efficiency program costs incurred less all revenues recovered pursuant to the Energy Efficiency Solutions Adjustment for the annual year as adjusted for applicable interest. The Balancing Account shall have interest applied or credited monthly at the annual rate of seven percent (7%). The EESA revenues will be applied monthly to the Balancing Account for each customer class, first to the interest balance, and thereafter to the principal amount.

Forecasted Retail Sales Volumes shall be the estimated retail electric sales for the applicable rate schedules for the designated recovery period.

EFFECTIVE DATE

After the first period effective date of September 1, 2011 to coincide with the implementation of the energy efficiency solutions programs, the EESA will be updated and filed by April 30th each year thereafter with the effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Transmission Facility Adjustment

Section No. 3C
Original Sheet No. 22

Page 1 of 1

TRANSMISSION FACILITY ADJUSTMENT

(N)

APPLICABLE

This Transmission Facility Adjustment (TFA) applies to all rate schedules for all classes of service authorized by the Commission.

The TFA rate shall be calculated annually based on forecasted revenue requirements for eligible transmission projects and forecasted kWh retail sales for the applicable rate schedules for the twelve months of June through May, and shall include an over or under recovery from prior years' adjustments through the Balancing Account. The Company will update and make a TFA filing with the Commission on an annual basis no later than February 15th.

TRANSMISSION FACILITY ADJUSTMENT RATE

A TFA rate shall be the annual transmission facility improvement revenue requirements for the twelve-month period June 1 through May 31 of each year and the forecasted balance of the TFA Balancing Account divided by the forecasted retail sales volumes for the same June 1 through May 31 twelve-month period for each class of service. The TFA rate shall be rounded to the nearest \$0.0001 per kWh.

The TFA rate may be adjusted annually with approval of the Commission. The TFA rate is initially:

Residential Service	\$0.0000 per kWh
Small General Service	\$0.0000 per kWh
Large General Service and Industrial	\$0.0000 per kWh
Lighting Service	\$0.0000 per kWh

Transmission Facility Improvement Revenue Requirements shall be the annual revenue requirements associated with new or modified transmission facilities eligible for recovery under SDCL 49-34A-25.1 and approved by the Commission. A standard model will be used to calculate the total forecasted revenue requirements for the designated periods.

TFA Balancing Account shall be the difference between the annual revenue requirements for eligible transmission facility improvements approved by the Commission for recovery through the TFA and the actual TFA amounts recovered during the year. The Balancing Account amount shall have interest applied or credited monthly at the annual rate of seven percent (7%). The Balancing Account balance will be included in the TFA rate calculation.

Forecasted Retail Sales Volumes shall be the estimated total retail electric kWh sales for the designated recovery period.

EFFECTIVE DATE

The TFA will be updated and filed each year on or before February 15th with forecasted information and with an effective date of June 1st.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 4
Ninth Revised Sheet No. 1
Replaces Eighth Revised Sheet No. 1

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

BUSINESS DEVELOPMENT SERVICE
RATE NO. BDS-2 (T)
Page 1 of 3

Section No. 4
First Revised Sheet No. 2
Replaces Original Sheet No. 2

BUSINESS DEVELOPMENT SERVICE

AVAILABLE

At points on the Company's existing transmission or distribution facilities supplied by its interconnected transmission system within Butte, Custer, Fall River, Lawrence, Meade, and Pennington Counties of South Dakota.

APPLICABLE

To customers requiring an appropriate response to non-standard unique or specialized electric services and/or to meet competitive forces in the energy services markets in a manner that satisfies the needs of participating customers while balancing the interests of the participating customer, the non-participating customers, and the Company.

CHARACTER OF SERVICE

Alternating current, 60 hertz, at the voltage and phase of the Company's established transmission or distribution system most available to the location of the customer.

ELIGIBILITY

Customers requesting Business Development Service (BDS) will be considered upon written application to the Company if one or more of the following conditions is shown by the customer to exist:

1. The customer accepts non-standard electric service for new or existing load;
2. The customer has unique requirements for new load;
3. The customer intends to acquire its electric service for new or existing load from a source other than the Company absent service under this rate by showing:
 - a. The customer demonstrates a competitive alternative, energy source or business locations, to the Company's standard tariff rates; and
 - b. The comparative economics, including but not limited to availability of capital, environmental impacts and assessment of risk, of the alternative over the Company's standard tariffed rates are material; and

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SOUTH DAKOTA ELECTRIC RATE BOOK

BUSINESS DEVELOPMENT SERVICE
RATE NO. BDS-2 (T)
Page 2 of 3

Section No. 4
First Revised Sheet No. 3
Replaces Original Sheet No. 3

BUSINESS DEVELOPMENT SERVICE

ELIGIBILITY (continued)

- c. The alternative is demonstrated to be technologically feasible and legally permissible; and
- d. The customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the customer's actual ability to utilize the alternative within a reasonable period of time.

Upon receipt of the customer's written application, and such additional information as the Company may require, the Company and the applying customer may, at the sole discretion of either party, commence negotiation of rates and terms and conditions of service under this tariff. If a mutually acceptable agreement is reached, the agreement and full support for it shall be forwarded to the Commission for their file of contracts with deviations as authorized by this rate schedule.

CONTRACT PROVISIONS

All mutually acceptable service agreements will meet these minimum standards:

1. The initial service term shall not be less than three years; and
2. No service term shall exceed 7 years without the inclusion of language providing for renegotiation by the Company.
3. The minimum written notice of cancellation by either party shall be nine months; and
4. The customer shall not be eligible for any discounts or service conditions except as provided for in the service agreement; and
5. The compensation to be received under the service agreement during its term shall exceed the marginal cost to the Company of performance under the contract; and
6. The rate for metered service will be designed to encourage the customer to improve load factor, calculated using the customer's On-Peak KVA; and
7. Minimum contract demand is 250 KVA; and
8. The terms and conditions of service shall be those contained in the service agreement between the Company and the customer; and
9. Identification of the rate schedule that customer would have received service under in lieu of BDS.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

BUSINESS DEVELOPMENT SERVICE

Section No. 4

RATE NO. BDS-2 (T)

Fourth Revised Sheet No. 4

Page 3 of 3

Replaces Third Revised Sheet No. 4

BUSINESS DEVELOPMENT SERVICE

RATE

All charges for service under this rate shall be the charges contained in the contract between the Company and the customer.

CONFIDENTIALITY

Upon request of the Company or the customer, upon good cause shown by affidavit, all terms and conditions of any service agreement under this rate schedule and any supporting information shall be protected from disclosure as confidential in accordance with the Commission's Administrative Rules provided for at Section 20:10:01:41 and 20:10:01:42.

COST ADJUSTMENT

The above schedule of charges shall be adjusted in accordance with the applicable Cost Adjustment tariffs in Section No.3C, Tariff Sheet No. 11. (T)

When the billing period includes a change in the charges of an above referenced Cost Adjustment tariff, the customer's bill shall be prorated accordingly.

PAYMENT

Net monthly bills are due and payable twenty days from the date of the bill, and after that date the account becomes delinquent. A late payment charge of 1.5% on the current unpaid balance shall be calculated and included as part of each monthly billing. A non-sufficient funds charge of \$15.00 shall apply to process a payment from a customer that is returned to the Company by the bank as not payable. If a bill is not paid, the Company shall have the right to suspend service, providing ten (10) days written notice of such suspension has been given. When service is suspended for nonpayment of a bill, a Customer Service Charge will apply.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Section No. 4

Page 1 of 2

Seventh Revised Sheet No. 5
Replaces Sixth Revised Sheet No. 5

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Contract #16651

South Dakota Science and Technology Authority (SDS&TA) Second Amendment to Electric Power Service Agreement pursuant to EL12-061.

(T)

Contract #11155

Pennington County Energy Storage Service Contract. The agreement was effective June 1, 1995 and has a term of three years and continues thereafter until cancelled by the one year written notice of either party.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Section No. 4

Sixth Revised Sheet No. 6

Page 2 of 2

Replaces Fifth Revised Sheet No. 6

SUMMARY LIST OF CONTRACTS WITH DEVIATIONS

Contract #15397

State of South Dakota: South Dakota School of Mines and Technology and Black Hills State University Electric Service Agreement, effective May 1, 2005 and has a term of three (3) years and continues until cancelled by one year written notice of either party. The agreement is to provide Distribution Wheeling Service and Supplemental Power Service.

Contract #11398

MENARD, Inc., dba Midwest Manufacturing, dba Dakota Panel Restatement and Amendment to Electric Power Service Agreement pursuant to EL12-061. (T)

Contract #121-9

GCC Dacotah, Inc. Third Amendment to Electric Power Service Agreement pursuant to EL12-061. (T)

Contract #12647

Rapid City Regional Hospital, Inc. Second Amendment to Electric Power Service Contract pursuant to EL12-061. (T)

Contract #12838

Rushmore Forest Products, Inc. Third Amendment to Electric Power Service Contract pursuant to EL12-061. (T)

Contract #12838

Spearfish Forest Products, Inc. (successor to Neiman Enterprises, Inc.) Third Amendment to Electric Power Service Contract pursuant to EL12-061. (T)

Contract #12877

Pete Lien & Sons, Inc. First Amendment to Electric Power Service Contract, entered into on Oct. 1, 1999 and amended pursuant to EL12-061. (N)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
Second Revised Sheet No. 1
Replaces First Revised Sheet No. 1

GENERAL RULES AND REGULATIONS COVERING ELECTRIC SERVICE BLACK HILLS POWER, INC.

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Rapid City, South Dakota

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Second Revised Sheet No. 2
Replaces First Revised Sheet No. 2

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Section No. 5
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(N)

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Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
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100 GENERAL

101 – GENERAL STATEMENT OF PURPOSE

These rules and regulations are designed to govern the supply of electric service by Black Hills Power, Inc. and the taking of electric service by the customer to provide the customer the greatest practical latitude in the use of electric service consistent with good business practices and safety procedures. These rules, regulations and conditions of service in no way supersede or modify any general rules or lawful orders of any Regulatory Body. If there is any conflict, it shall be understood that the standard rules and regulations and the lawful orders of the Regulatory Body shall control. If these rules and regulations in any way conflict with the filed tariffs of the Company, it shall be understood that the tariffs shall apply. (C)

102 – APPLICATION OF RULES AND REGULATIONS

These rules and regulations shall apply to any and all electric service supplied by Black Hills Power, Inc. to any customer. (C)

102.1 – INTENT OF RULES AND REGULATIONS

These rules and regulations are intended to promote safe and adequate service to the public and to provide uniform applications of rates.

102.2 – ALTERING OR AMENDING

The adoption of these rules and regulations shall in no way preclude the Company from altering or amending them or from making such modification with respect to their application as may be found necessary to meet exceptional conditions subject to approval by the Commission.

102.3 – RESPONSIBILITY UNDER THE LAW

These rules and regulations shall in no way relieve the Company or the customers of any of its duties or responsibilities under the law.

103 – DEFINITIONS

103.1 "Company" means Black Hills Power, Inc. (C)

103.2 "Customer" means any person, partnership, firm, association, corporation or any agency of the Federal, state or local government being supplied, or which can be supplied, with electric service by Black Hills Power, Inc. (C)

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
Second Revised Sheet No. 7
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103 – DEFINITIONS (*continued*)

- 103.3** "Regulatory Body" means the government agency legally constituted and vested with the authority to regulate the Company's service and/or rates.
- 103.4** "Electric Service" means the supplying of electric power and energy, or its availability irrespective of whether any electric power or energy is actually used.
- 103.5** "Point of Delivery" means the end of the Company's service drop, or the point where the Company's wires are joined to the customer's service entrance unless otherwise specified in the customer service agreement.
- 103.6** "Customer Installation" means, in general, all wiring, appliances and apparatus of any kind or nature on customer's side of the point of delivery (except Company's meter installation) used or useful in connection with the customer's ability to take electric service.
- 103.7** "Month of Billing Period" means an interval of approximately thirty (30) days between successive meter reading dates and not generally a calendar month.
- 103.8** "Service Agreement" means the agreement or contract between the Company and the customer pursuant to which electric service is supplied or taken.
- 103.9** "Notice" means unless otherwise specified, a written notification delivered personally or mailed by one party to the other at such party's last known address, the period of notice being computed from the date of such personal delivery or mailing.
- 103.10** "Meter" means the meter or meters together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied by the Company to any customer at a single point of delivery.
- 103.11** "Premises" means any piece of land or real estate, including building and other appurtenances thereon.
- 103.12** "Electric Plant" means all real estate, fixtures and property owned, controlled, operated or managed in connection with or to facilitate the production, generation, transmission, delivery or furnishing of electricity for light, heat or power.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
Second Revised Sheet No. 8
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103 – DEFINITIONS (*continued*)

- 103.13 "Service Drop" –means the overhead wires, owned by the Company connecting Company's distribution line to the customer's service entrance conductors. (C)
- 103.14 "Service Lateral" –means the underground conductors between the secondary conductors (including any used at a pole, pedestal or transformer) and the first point of connection to the customer's service entrance conductors. (C)
- 103.15 "Service Entrance Conductors" means (1) For underground, the conductors owned by customer between the point of connection with service lateral and the terminals of the service equipment. (2) For overhead, the conductors between the connection with the service drop and the terminals of the service equipment.
- 103.16 "Service Equipment" means the equipment, usually including a circuit breaker or fuses, located near the point of entrance of service entrance conductors.

200 SERVICE AGREEMENT

201 – APPLICATION FOR SERVICE

A party desiring electric service must make application to the Company before commencing the use of Company's service. Company reserves the right to require a signed application or written contract for service to be furnished. All applications and contracts for service shall be made in the legal name of the party desiring the service. Company may refuse or terminate service to any applicant for or user of service who fails or refuses to furnish information requested by Company for the establishment of a service account. Receipt and use of electric service in the absence of application or contract shall constitute the user a "customer" of the Company, subject to its rates, rules and regulations, and said user shall be responsible for payment of all services used.

Subject to its rates, rules and regulations, Company will continue to supply electric service until notified by customer to discontinue such service and customer will be responsible for payment of all service furnished to the date of such discontinuance.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
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Replaces Second Revised Sheet No. 9

201.1 – CONTRACT PERIOD

The contract period of the service agreement shall be as indicated in the applicable rate schedule unless otherwise provided for in the service agreement.

201.2 – USE OF ELECTRIC SERVICE

Electric service supplied under a service agreement is for the customer's use within or upon the premises served and for the purpose designated in the service agreement and such service agreement is not transferable without the written consent of the Company.

201.3 – DEPOSITS

The Company may require from any customer or prospective customer a deposit intended to guarantee payment of current bills. This required deposit shall not be considered as an advance payment of bills for service to be rendered, but shall be held as security for payment of bills for service rendered and may be applied in payment of such bills only in the event service is discontinued.

The required deposit shall not exceed the amount of one-sixth (1/6) of the estimated annual bill. Simple interest shall be paid by the Company on the deposits at the rate prescribed by the applicable Regulatory Body for the time the deposit is held by the Company.

When the customer has received twelve (12) consecutive months of service with no requirement to disconnect for nonpayment and no more than two (2) disconnect notices have been issued, the deposit plus interest will be automatically refunded.

201.4 – DEFAULT OR BREACH OF SERVICE AGREEMENT

The Company, in addition to all other legal remedies, may terminate the service agreement or suspend delivery of service, for any default or breach of the service agreement by the customer. But, no such termination or suspension will be made by the Company without first giving the customer ten (10) days' written notice, except for extended periods as designated by the Commission, stating in what particular manner the service agreement had been violated. Failure of the Company at any time either to suspend delivery of service or to terminate the service agreement, or to resort to any other legal remedy or its adoption of either one or the other of such alternatives shall not affect the Company's right to resort to any such remedy for the same or any future default or breach by the customer. (C)

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
Second Revised Sheet No. 10
Replaces First Revised Sheet No. 10

202 – CUSTOMER CLASSIFICATION

Customers will be classified as follows:

202.1 – URBAN CUSTOMER

An urban customer is any customer taking electric service within the corporate limits of any incorporated city or town served by the Company.

202.2 – RURAL CUSTOMER

A rural customer is any customer taking electric service on a continuous basis outside the corporate limits of any incorporated city or town served by the Company.

202.3 – RESIDENTIAL CUSTOMER

A residential customer is one using electric service for domestic purposes in space occupied as a single-family private dwelling unit supplied through one meter.

202.4 – MUNICIPAL CUSTOMER

Any incorporated city or town taking electric service which is needed for and used in connection with the tax-supported operations of government shall be classified as a municipal customer.

202.5 – GENERAL SERVICE CUSTOMER

A general service customer is one using electric service in the conduct of some business enterprise in space occupied and operated for commercial purposes, and is not eligible for service under any other customer classification.

202.6 – INDUSTRIAL CUSTOMER

An industrial customer is one using electric service for the production of commerce through manufacturing, processing, refining, mining, or fabricating.

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Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
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Replaces First Revised Sheet No. 11

300 SUPPLYING AND TAKING OF SERVICE

301 – SUPPLYING OF ELECTRIC SERVICE

The undertaking of the Company to supply electric service shall be completed by the supplying of electric energy, under the applicable rate schedule at the point of delivery to the customer and according to rules prescribed by the applicable Regulatory Body.

Electric service will not be supplied to any customer if at the time of application of service the applicant is indebted to the Company for service previously supplied at the same or other premises until payment for such indebtedness has been made in full.

302 – CONTINUITY OF ELECTRIC SERVICE

The Company will use reasonable diligence to provide continuous electric service but does not guarantee a constant supply of electric energy and shall not be liable to customer for damage occasioned by delay or interruption of service caused by governmental or municipal action or authority, litigation, war, public enemies, vandalism, strikes, acts of God, order of any court or judge granted in any bona fide adverse legal proceedings or action, or any order of any Regulatory Body, Commission or tribunal having jurisdiction in the premises, or any cause the Company could not have foreseen or reasonably guarded against; provided, however, that the Company or customer as the case may be, shall be prompt and diligent in removing or overcoming the cause or causes of such delay or interruption of delivery or receiving electric service and nothing herein shall be construed as permitting the customer to refuse to receive service or the Company to refuse to deliver service after the cause of the delay or interruption has been removed.

In the event the Company is prevented from delivering electric service or any part thereof for any of the above reasons, the Company will not be bound to deliver power during such time and there will be a pro rata reduction in billing capacity or similar charges as provided for in the rate schedule under which the customer is receiving electric service.

(C)

303 – SUSPENSION OF ELECTRIC SERVICE FOR REPAIRS OR ALTERATIONS

When necessary to make repairs or alterations to its electric plant, the Company may, without incurring any liability therefore, suspend electric service for such periods as may be necessary, and in such manner as to minimize inconvenience to the customer. The Company will attempt to notify any affected customers of an intentional interruption of service necessitated by ordinary maintenance of its service lines and related equipment.

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Second Revised Sheet No. 12
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304 – USE OF ELECTRIC SERVICE

Electric energy purchased from the Company shall be for the sole use of the customer and shall be used by the customer only for the purpose specified in the service agreement and at the premises upon which the meter is located. The customer shall not sell, share with another or transmit off the premises any electric energy received from the Company except with written consent of the Company.

In no case may the customer extend or connect installations to lines across or under a street, alley, lane, court or avenue or other public or private space in order to obtain service for adjacent property through one meter. (C)

All equipment used by the customer shall be so operated and have such starting and performance characteristics that its use will not cause unusual voltage fluctuations or other disturbances on the Company's system.

305 – UNAUTHORIZED USE OF ELECTRIC SERVICE

In case of unauthorized remetering, sale, extension or other disposition of electric service, the Company may immediately discontinue the supplying of electric service to customer until such unauthorized act is discontinued and full payment is made for all service supplied or used, billed on the proper rate schedule and reimbursement in full made to the Company for all extra expenses incurred, including expenses for clerical work, testing and inspections.

306 – AUXILIARY ELECTRIC SERVICE

Auxiliary, standby or supplemental electric service will not be supplied by the Company to a customer for use in conjunction with electric or mechanical energy from another source unless the rate schedule under which the customer is receiving service provides specifically therefore, or according to rules prescribed by the applicable Regulatory Body. For any violation of this rule, the Company reserves the right to discontinue all electric service and to remove its service connections.

307 – TEMPORARY SERVICE

Temporary service is defined as service to projects which for all purposes which from their very nature evidently will be of short duration.

A customer taking temporary service shall pay the regular rates applicable to the class or classes of service rendered for all energy used. In all cases initial billing for service fees will be charged and collected in advance.

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Section No. 5
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308 – INCIDENTAL SERVICE

Service continuously available through a permanent connection to provide power and energy for use by customer when such use is merely incidental to customer's operations and essentially for customer's convenience, for voltage or frequency control, for partial lighting of selected or limited areas, or for operation of controls, battery charges, starting devices, electric clocks or other equipment requiring relatively small quantities of energy as compared with customer's total energy usage, shall be defined as incidental service. (C)

309 - CUSTOMER'S RESPONSIBILITY AND LIMITATION OF LIABILITY

The customer assumes all responsibility on customer's side of the point of delivery for the service supplied or taken, as well as for the electrical installations, appliances and apparatus used in connection therewith and shall save the Company harmless from and against all claims for injury or damages to persons or property occasioned by or in any way resulting from such service or use thereof on customer's side of the point of delivery. Customer shall install protective equipment with adequate fault current interrupting ability. The Company shall supply, when requested, information on fault capacity at the point of delivery.

In all other circumstances, the liability of the Company to customers or other persons for damages, direct or consequential, including damage to computers and other electronic equipment and appliances, loss of business, or loss of production caused by any interruption, reversal, spike, surge or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity shall in no event, unless caused by the willful and/or wanton misconduct of the Company, exceed an amount in liquidated damages equivalent to the greater of \$500 or two times the charge to the customer for the service affected during the period in which such interruption, reversal, spike, surge or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity occurs. (N)

310 – RIGHT-OF-WAY

Customer shall, without compensation, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to customer and for continuing or extending said lines over and across the property owned or controlled by customer. The Company shall not be liable for damages involving the power line when such damages result from actions of parties other than the Company.

311 – ACCESS TO PREMISES

The duly authorized agents of Company shall have access during all reasonable hours to the premises of customer for the purpose of inspecting wiring and apparatus, inspecting, maintaining and repairing lines over and across said premises, removing or replacing Company's property, reading of meters and all other purposes incident to the supplying of service. (C)

312 – LOCATION OF CUSTOMER'S SERVICE TERMINAL

Customer's service terminal is to be located at a point readily accessible to Company's distribution lines, such point to be determined by Company.

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400 CUSTOMER'S INSTALLATION

401 – NATURE AND USE OF INSTALLATION

All of customer's wires, apparatus and equipment shall be selected with the view of obtaining safety, good efficiency, good voltage regulation and the highest practicable power factor and shall be installed in accordance with standard practices. Customer shall install and maintain, on customer's side of point of delivery, suitable protective equipment as may be required by the Company for the protection of its service to other customers and may not employ or utilize any equipment, appliance or device so as to affect adversely Company's service to customer or to others. The Company's failure to require such equipment shall not operate to relieve customer from the obligation to utilize and comply with standard practices. Company may require compensating starters or other suitable starting devices for motors above ten (10) horsepower.

Individual single phase motors rated at 10 (ten) horsepower or less will ordinarily be permitted at any point where electric service is available.

Company will not provide three (3) phase for motors less than ten (10) horsepower unless three (3) phase service exists or with special approval of Company.

Customers and contractors contemplating the purchase and/or the installation of three (3) phase motor or any single phase motor larger than ten (10) horsepower, should obtain information from a Company representative relating to the character of service available at the address of such proposed installation.

All individual motors of ten (10) horsepower or over should be three (3) phase where service can be obtained by direct connection with existing three (3) phase secondary lines or a reasonable extension thereof.

Individual single phase motors larger than ten (10) horsepower or with locked rotor currents exceeding 120 amperes, will be permitted only upon written approval of the Company.

Installation of all motors fifty (50) horsepower or larger must receive written approval of the Company.

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When polyphase service is supplied by Company, customer will control the use thereof so that the load at the point of delivery will be maintained in reasonable electrical balance between the phases.

Installations of neon, fluorescent, mercury vapor lamps or tubes or other types of gaseous tube lamps or other devices having low power factor characteristics, should be equipped with corrective apparatus to increase the power factor of each unit or separately controlled group of units to not less than approximately ninety percent (90%) lagging.

402 – INSPECTION BY COMPANY

Company retains the right, but does not assume the duty, to inspect customer's installation at any time and will refuse to commence or to continue service whenever it does not consider such installations to be in good operating condition, but Company does not in any event assume any responsibility whatsoever in connection with such matters.

403 – CHANGES IN INSTALLATIONS

As Company's service drops, transformers, meters and other facilities used in supplying service to customer have a definite limited capacity, customer shall give notice to Company and obtain Company's consent, before making any material changes or increases in customer's installations. Company, as promptly as possible after receipt of such notice, will give its approval to the proposed change or increase, or will advise customer upon what conditions service can be supplied for such change or increase. Failure to secure Company's approval shall make customer liable for any damage to Company's facilities.

404 – REPAIRS TO CUSTOMER'S INSTALLATION

All repairs to customer's equipment and apparatus shall be the responsibility of the customer. It is the responsibility of the customer to determine whether their equipment and apparatus are suitable for operation at the type of service which they will receive from the Company. The responsibility of the customer regarding use of the service is not set aside by inspections or recommendations of the Company which are made as a courtesy to the customer or as a protection to the service to other customers.

(C)

405 – UNSAFE OR DISTURBING USE OF ELECTRIC SERVICE

The Company may refuse to render electric service or may withdraw same whenever the wiring or equipment of a customer is in an unsafe condition as defined by any governmental agency or is so designed or operated as to disturb the electric service to other customers. The connection of welding machines, X-ray equipment, motors with excessive starting currents and experimental electric devices to any electric service of the Company is expressly forbidden as disturbing to electric service, except where adequate protective devices approved in advance by the Company are installed and maintained by the customer in accordance with the Company's standards. If customer's installation of such equipment requires Company to install separate transformer capacity, the customer shall be billed on the applicable rate schedule for the service provided.

(C)

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If service has been refused or withdrawn because customer's service is deemed to be unsafe, said service will not be reestablished until customer is in compliance with authorized governmental agencies' safety and wiring requirements and said agency or agencies so inform the Company in writing.

500 COMPANY INSTALLATION

500 – INSTALLATION AND MAINTENANCE

Except as otherwise provided in these Service Regulations, in service agreements or rate schedules, Company will install and maintain its lines and equipment on its side of the point of delivery, but shall not be required to install or maintain any lines or equipment, except meters, on customer's side of the point of delivery. Only Company's agents are authorized to connect Company's service drop to customer's service entrance conductors and to connect Company's meters.

501.1 – INSPECTION

The customer's wiring must conform to municipal or state requirements, whichever may govern, and to accepted modern standards as exemplified by city, state and national codes; and if an affidavit or certificate of inspection is required by state law, the same must be furnished.

501.2 – STANDARD CONNECTION

The ordinary method of connection between Company's distribution lines and customer's service entrance conductors will be by overhead wires. If customer shall desire to have connection made in any other manner, special arrangements will be made between customer and Company by which the connection will be made and maintained at customer's expense (see Section 800 LINE EXTENSIONS).

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501.3 – VOLTAGE, FREQUENCY AND PHASE

Electric service furnished will be alternating current, 60 hertz, single or three (3) phase, at one of the nominal standard voltages given below:

Secondary Voltage:

Single phase, 120 volt 2 wire, 120/240 volt 3 wire or 120/208 3 wire

Three phase, 240 volt 3 wire

Three phase, 4 wire 120/240 or 120/208 or 277/480 volt where available

Three phase, 480 volt 3 wire

Primary Voltage:

The voltage of the Company's nearest distribution line of adequate capacity as determined by the Company.

The nominal standard voltages shall be maintained so far as practical within the limits of ANSI 84.1 Voltage Ratings for Electric Power Systems and Equipment.

502 – PROTECTION BY CUSTOMER

Customer shall protect Company's wiring and apparatus on customer's premises and shall permit no one except Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by customer or other unauthorized persons, the cost of repairing such damage shall be paid by customer or person causing such damage.

503 – CUSTOMER EXTENSIONS

The Company, at its own expense, makes extensions where the revenue therefrom is sufficient, in Company's opinion, to justify the necessary expenditure.

Where the Company cannot be assured that the business offered is of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of Regulatory Bodies may control, the customer or customers shall make arrangements satisfactory to Company dependent upon the particular condition of each situation.

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504 – UNLAWFUL USE OF SERVICE

The Company may discontinue service to any customer without notice in advance and without terminating the agreement for service in the event fraudulent use of service is detected, or where a dangerous condition is found to exist on the customer's premises. In such event, the Company may require the customer to pay for such electric energy as the Company may estimate from available information to have been used but not registered by Company's meter and to increase the customer's deposit or payment bond before electric service is restored; and in addition thereto, the customer shall be required to bear all costs incurred by the Company for such protective equipment as in its judgment may be necessary. (C)

505 – ATTACHMENT TO COMPANY'S PROPERTY

The use of poles, wires, towers, structures or other facilities of the Company, by the customer or others for the purpose of fastening or supporting any radio or television equipment, or any wires, ropes, signs, banners or anything of similar nature, or the locating of same in such proximity to aforesaid property or facilities of the Company as to cause, or be likely to cause, interference with the supply of electric service, or dangerous condition in connection therewith, is prohibited, and the Company shall have the right forthwith to remove same without notice.

600 METERING

601 – METER INSTALLATIONS

The customer shall provide and at all times maintain on the premises to be supplied with electricity a readily accessible space for the installation of Company's meters or other devices necessary to supply electricity to the premises. The customer shall provide the necessary meter loop and meter board, constructed and installed in accordance with the Company's standards and in full compliance with all laws and governmental regulations applicable to the same. The relocation of any meter after it has been installed shall be done at the expense of the customer if done at customer's request. (C)

The Company will furnish and install without expense to the customer, meter and appurtenances at suitable places either outside on the building walls or inside the building at the discretion of the Company. Any equipment furnished by the Company shall remain its property and may be removed by it at any time after the termination of the service agreement, or upon discontinuance of electric service for any reason.

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602 – EVIDENCE OF CONSUMPTION

Unless proven to be inaccurate, the registration of Company's meter shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by customer.

603 – TESTS AND CHECKS

Company tests its meters and maintains their accuracy of registration in accordance with good practice and according to rules prescribed by the applicable Regulatory Body. On request of customer, Company will make a special test or check which will be done at the expense of the Company. If the customer requests another test before the expiration of a twelve (12) month period, the customer shall provide in advance of the test, the appropriate meter test deposit, that will be forfeited if the meter is found to be in error by less than two percent (2%), fast or slow. (C)

700 BILLING

701 – BILLING PERIODS

Bills ordinarily are rendered regularly at monthly intervals, but may be rendered more or less frequently at Company's option. Non-receipt of bill by customer does not release or diminish the obligation of customer with respect to payment thereof.

702 – SEPARATE BILLING FOR EACH POINT OF DELIVERY

The use of service is metered separately at each point of delivery for each customer served. Whenever for any reason Company furnishes two or more meter installations for a single customer, or supplies service under a schedule which does not require a meter, each point of metering and/or point of delivery where no meter is required is considered as a separate service. A separate service agreement is required for each such separate service, except where the Company may, under special circumstances, waive this requirement.

703 – ADJUSTMENT FOR INACCURATE METER REGISTRATION OR BILLING

703.1 – ADJUSTMENT OF BILLS WHERE METER IS FOUND IN ERROR

If any electric service meter tested is found to be more than two percent (2%) in error, either fast or slow, proper correction shall be made of previous readings for the period equal to one-half the time elapsed since the most recent test, but not to exceed six months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the readings shall be adjusted from that date. The average error of a meter shall be defined as one-fifth the algebraic sum of (1) one times the error at light load, and (2) four times the error at a heavy load. Only the customer served by the electric service meter at the time of testing is eligible for a refund. (C)

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If an electric service meter is found not to register or to register intermittently for any period, the Company shall make a charge for electricity used, but not metered, based upon amounts used under similar conditions during periods preceding or subsequent thereto, or during corresponding periods in previous years.

703.2 – ERROR IN RECORDING METER DATA

When a customer has been misbilled due to an error in recording meter data, the bills will be adjusted as follows:

- A. Underbilled: Proper and correct bills will be rendered for the period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.
- B. Overbilled: Proper and correct bills will be rendered (and a credit given) for the period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.

703.3 – INCORRECT APPLICATION OF THE RATE SCHEDULE

- A. Underbilled: Proper and correct bills will be rendered for the period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.
- B. Overbilled: Proper and correct bills will be rendered (and a credit given) for a period that the error can be ascertained to have been in effect but not exceeding one year, unless the date of the error can be fixed with reasonable certainty. Corrected bills will not be rendered to other than the present customer.

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704 – DELINQUENT BILLS

Bills become delinquent if not paid within twenty (20) days of the date of the bill. Service may be discontinued upon ten (10) days written notice to the customer in the months of April through October and forty (40) days written notice to the customer in the months of November through March and per rules prescribed by the applicable Regulatory Body. If the Company agrees to accept payment arrangements on a delinquent account, the arrangement will include the full balance of the account. (N)

705 – CHARGE FOR RESTORING SERVICE

If service is discontinued for any reason herein mentioned, the customer may be required to reimburse the Company for all costs incurred by the Company in reconnecting service to said customer. Reconnection costs shall include all direct charges incurred while reconnecting service, plus an additional charge to cover the cost of administration and special accounting.

706 – SELECTION OF RATE SCHEDULE

The Company's rate schedules are designed for service supplied to customer on a continuous annual basis. Customer may elect to take service under any of the schedules applicable to such service. For initial service, Company will advise customer of the schedule which in its judgment is best adopted to customer's needs on an annual basis, but such advice must be based upon customer's statements as to customer's installation and requirements for service, and Company assumes no responsibility for the selection of the schedule made by customer. Rules applicable to specific schedules shall apply when customer desires service on other than a continuous basis.

707 – PRORATION OF BILLS

For all billings, the charges will be prorated based upon a thirty (30) day billing period when the billing period is outside of the standard billing period of twenty-three (23) to forty (40) days.

708 – ESTIMATED BILLING DUE TO UNREAD METERS

In the event it is impossible or impracticable to read customer's meter on the scheduled meter reading day, Company may render an "Estimated Bill." Company may render "Estimated Billings" to rural customers on a schedule basis, however, Company will render no more than three (3) estimated bills in consecutive order. Only in unusual cases, or when approval is obtained from a customer, shall more than three (3) consecutive estimated bills be rendered.

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709 - MASTER METERING

All buildings, mobile home parks and trailer courts for which construction was begun after June 13, 1980, shall be metered separately for each residential or commercial unit, with the exception of hospitals, nursing homes, transient hotels and motels, dormitories, campgrounds, other residential facilities of a purely transient nature, central heating or cooling systems, central ventilating systems, central hot water systems and multiple occupancy buildings constructed, owned or operated with funds appropriated through the Department of Housing and Urban Development or any other federal or state government agency. Any existing multiple occupancy building receiving master metered service which is substantially remodeled or renovated for continued use as a multiple occupancy building, if such remodeling or renovation is begun after June 13, 1980 shall be individually metered, unless the building meets any of the exceptions listed above or unless the owner of such building demonstrates to the satisfaction of the Public Utilities Commission that conversion from master metering to individual metering would be impractical, uneconomical or unfeasible.

710 - RESIDENTIAL BUDGET BILLING

Monthly Budget Billing payments are established based on the previous 12 monthly bills for the customer's current residence plus the current account balance divided by 12. Budget Billing amounts will be monitored monthly in comparison to the previous 12-month average. The monthly Budget Billing amount will be changed only if the recalculated budget amount differs 10 percent or more from the current Budget Billing amount. On the Budget Billing anniversary date, the monthly payment amount will be recalculated by adding the total of the previous 12 months' actual bills to the account balance and dividing by 12.

In order to stop Budget Billing, any carryover credit or balance due is applied to the next month's bill and becomes due in full at that time. In the event a customer is removed from Budget Billing and seeks to be reinstated, the customer's account balance must be current before the Budget Billing plan is re-established.

(N)

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800 LINE EXTENSIONS

Line extensions shall be administered in accordance with these rules.

801 - APPLICABLE

This rule is applicable to all prospective permanent customers located within the Company's service area, providing the proposed line extension can be built from an existing distribution line of 24.9 kV or less. This rule is not applicable to temporary service.

802 - DEFINITIONS – GENERAL CONSTRUCTION POLICY

1. A line extension is herein defined as a branch from, or a continuation of, an existing Company-owned distribution line. A line extension from customer-owned lines will require special agreements. A line extension may be either single or three phase or may be the conversion of an existing single phase line to three phase with or without further extension of the three phase line.
2. This section of the rules and regulations sets forth the terms and conditions under which the Company will construct and extend its facilities to serve new loads and replace, relocate, or otherwise modify its distribution facilities.
3. Applicant is the individual(s) who requests a line extension of the Company.
4. Developer is an Applicant requesting a line extension to serve two (2) or more contiguous building sites.
5. Revenue shall be the estimated annual revenue which the Company expects to receive from the Applicant as determined by the terms of Sections 803.1.A and 802.2.E of this rule.
6. Actual Revenue is the sum of the actual payments made to the Company by the Applicant for electrical service for the account in question per the line extension agreement less the applicable sales tax.
7. A Permanent Year-Round Dwelling is a residence which includes a well or water hook-up, sewer or septic-system, automatic heating system and is otherwise likely to be inhabited year-round.
8. Rate Schedule is the Company's filed tariff for which the Applicant/customer qualifies. Qualification will be solely determined by the Company and may change if the Applicant/customer changes their expected electricity consumption.
9. Line Extension Allowance is the estimated construction cost which the Company will incur without charge to the Applicant.

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- 10. Advance Deposit is the payment required of the Applicant prior to line extension construction for any estimated construction cost in excess of the Line Extension Allowance.
- 11. No refunds will be made in excess of the refundable Advance Deposit, and deposits shall bear interest only as specified herein. Refunds, where applicable, will be made in accordance with the terms stated herein.
- 12. Each line extension shall be a separate, distinct unit and any further extension therefrom shall have no effect upon the agreements under which such extension is constructed.
- 13. All construction of line extensions shall conform to the Company's standards as well as applicable national, state, and local electrical codes.
- 14. In all cases where, in the opinion of the Company, its investment in facilities appears extraordinary or unusual, and where extensive repairing or building of any facilities is necessary to accommodate the customer or group of customers, making application for service, the right is reserved to require the customer, or group of customers, to be served to execute a contract for a definite period of service, and to otherwise protect the Company against possible losses. Prospective customers entering into a venture, which is considered by the Company as a poor risk for the investment of its capital, may be required to finance the entire additional investment needed to serve the customer.
- 15. The title to every line extension shall at all times remain with the Company. The Company reserves the right at all times to add customers to an extension, and to make new extensions to any existing extension, under the provisions of these rules, without procuring the consent of any customer (Applicant) or customers contributing to the original construction costs.
- 16. Payment shall be made prior to the start of such construction. Where a group of customers will be served by a single extension, applicable charges shall be allocated in an equitable manner by the Company.

(C)

803 – LINE EXTENSION POLICY

(C)

803.1 – RESIDENTIAL SERVICE

Company Financed Extensions – For each Permanent Year-Round Dwelling in place or under construction, the Company will Construct a line extension without charge to the Applicant if the estimated construction cost does not exceed four (4) times the following standard annual revenue amounts (the "Line Extension Allowance") for the residential dwelling to be served under the applicable Rate Schedule:

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<u>RATE SCHEDULE</u>	<u>ANNUAL REVENUE STANDARD</u>	<u>LINE EXTENSION ALLOWANCE</u>
Regular Residential Service	\$ 500	\$2,000
Total Electric Residential Service	\$ 750	\$3,000
Residential Demand Service	\$ 1,250	\$5,000

For permanent dwellings which, in the Company's opinion are not designed and constructed to be inhabited year-round (at least nine months each year), the total Line Extension Allowance is \$1,000 or the Applicant may sign a seasonal use agreement and qualify for the applicable Permanent Year-Round Dwelling Line Extension Allowance.

The Rate Schedule shall be determined from the Applicant's representation. If at any time it is determined that the Applicant has misrepresented electrical service, the Company shall redetermine the applicable Line Extension Allowance. The redetermination may result in a charge to the Applicant, if the Company's estimated construction cost exceeds the correct Line Extension Allowance.

- B. Charges – Line extensions which are estimated to cost in excess of the Line Extension Allowance will require an Advance Deposit for all excess cost. The line extension construction cost estimate will be based on the following standards:

DISTRIBUTION LINE

Single Phase (1Ø) Overhead or Underground = \$3.00/foot
Three Phase (3Ø) Overhead or Underground = \$9.00/foot

TRANSFORMERS

Single Phase (1Ø) Overhead = \$ 900.00
Single Phase (1Ø) Underground = \$1,700.00

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SWITCHING MODULES

Single Phase (1Ø) Underground = \$1,500.00
Three Phase (3Ø) Underground = \$3,800.00

SECONDARY SERVICE

Overhead to Overhead = \$ 100.00
Underground to Underground = \$ 300.00
Overhead to Underground = \$ 400.00

- C. Measurement – The length of any line extension will be measured along the route of the extension from the Company's nearest facilities from which the extension can be made to the point of transformation of last pole. Should the Company for its own reasons choose a longer route or require system improvement as part of the extension, the Applicant will not be charged for the additional distance or costs, however, if the Applicant requests special routing of the line extension, the Applicant will be required to make in advance of construction a non-refundable contribution to pay for the additional cost resulting from the special routing.
- D. Refunds – The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
1. The Applicant may be entitled to a refund of any remaining Advance Deposit if additional line extensions are constructed from the electrical facilities that were partially financed by the Applicant. Only those lines extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions, will be considered when determining the Applicant's entitlement for a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new Applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant

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Director of Rates

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004261



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
Third Revised Sheet No. 27
Replaces Second Revised Sheet No. 27

contacting the Company regarding the completed construction of additional electric facilities. In addition, the Company will make a final refund determination four (4) years following the effective date of the Application and Agreement for Line Extension. Each contract year the Company will notify the Applicant by Certified Mail that a refundable deposit is outstanding and may be eligible for refund. Any refunded Advance Deposit shall not bear interest.

2. The Applicant may be entitled to a refund of any remaining Advance Deposit when four (4) years have passed from the effective date of the Application and Agreement, if the Company's Actual Revenue from the Applicant's account served during the first four (4) years by the line extension exceeds the Line Extension Allowance as originally determined and contracted for under Section 803.1.A. The amount eligible for refund to the Applicant shall be the amount by which Actual Revenue exceeds the Line Extension Allowance, if any. Refunds under this paragraph shall bear simple interest at the rate of seven (7) percent annually.

A Developer who has provided an Advance Deposit to extend electric service within a development will be entitled to a refund under 803.1.D.1 equal to the Line Extension Allowance of each new customer whose service is connected directly to the electric facilities that were partially financed by the Developer. A Developer will have their refund eligibility under 803.1.D.2 determined by the Actual Revenue received from the accounts established and directly served within the development as a result of the Developer's Application and Agreement for Line Extension.

Such refunds will be made only to the original Applicant if still receiving service at the same location. In no case shall the total refund to the Applicant exceed the amount of the Applicant's refundable Advance Deposit.

Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and become the property of the Company.

E. Residential Underground Extensions

1. The Company will:

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Rapid City, South Dakota

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Section No. 5
Third Revised Sheet No. 28
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- a. Be responsible for the design and installation of facilities.
 - b. Install, maintain, and own all primary and secondary conductors, padmount transformers, related electrical equipment, and PVC on the pole, if required.
 - c. Cooperate in the joint use of trenches, where practical.
 - d. Design the underground distribution facilities for a front-lot feed (from the street) to the residences.
2. The Applicant will:
- a. Provide the necessary easements as specified by the Company.
 - b. Establish final grades and have sidewalks, curb and gutter, water, and sewer installed in the area prior to the installation of electric facilities.
 - c. Provide all trenching to the Company specifications, washed sand or approved bedding, conduit when required, and backfill or any other restoration work required.
 - d. The service lateral procedure will be as stated in 803.1.F.

F. Residential Underground Service Laterals

1. For a new house or where present service is inadequate (defined as a service lateral that has insufficient capacity, bare conductors or bad tree conditions),

The Applicant will:

- a. Provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill, or any other restoration work required.

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Black Hills Power, Inc.
Rapid City, South Dakota

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Section No. 5
Fourth Revised Sheet No. 29
Replaces Third Revised Sheet No. 29

- b. Provide a service lateral location to be mutually agreed upon. The service lateral shall be of the shortest distance possible and shall avoid placement under future construction, such as buildings, walls, fences, or other possible hazardous areas.
- c. Provide a Company-approved meter receptacle with conduit down to twelve (12) inches below final grade. (C)

The Company will:

- a. Install, maintain, and own the underground service lateral from the secondary system to the meter receptacle, including PVC on the pole if required.
2. For an existing house with adequate overhead service:
- a. Same as 803.1.F.1.
 - b. The customer will advance a non-refundable contribution equal to the estimated cost (as determined by the Company) of the new underground service and removal of existing overhead service. The Company will give due credit for the salvage value of the existing overhead line.

803.2 – COMMERCIAL OR INDUSTRIAL SERVICE

- A. Company Financed Extensions – For commercial or industrial service the applicable Line Extension Allowance shall be four (4) times the estimated annual Revenue as set forth at 803.2.E. The Company will construct, without charge to the Applicant, a line extension for which the estimated construction cost does not exceed the Line Extension Allowance. The estimated construction cost shall be determined by the Company.

If at any time it is determined that the Applicant has misrepresented the information concerning its estimated annual revenue, the Company shall redetermine the applicable Line Extension Allowance. If the redetermined Line Extension Allowance is exceeded by the original estimated construction costs, the Applicant shall make a deposit with the Company. (C)

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 30
Replaces Original Revised Sheet No. 30

- B. Charges – Line extensions which are estimated to cost in excess of the Line Extension Allowance will require an Advance Deposit by the Applicant for all excess cost.
- C. Measurement – The length of any line extension will be measured along the route of the extension from the Company's nearest facilities from which the extension can be made to the point of transformation or last pole. Should the Company for its own reasons choose a longer route or require system improvement as part of the extension, the Applicant will not be charged for the additional distance or costs, however, if the Applicant requests special routing of the line extension, the Applicant will be required to make in advance of construction a non-refundable contribution to pay for the additional cost resulting from the special routing.
- D. Refunds – The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
1. The Applicant may be entitled to a refund of any remaining Advance Deposit if additional line extensions are constructed from the facilities that were partially financed by the Applicant. Only those Line Extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions, will be considered when determining the Applicant's entitlement for a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new Applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant contacting the Company regarding the completed construction of additional electric facilities. In addition, the Company will make a final refund determination four (4) years following the effective date of the Application and Agreement for Line Extension. Each contract year the Company will notify the Applicant by Certified Mail that a refundable deposit is outstanding and may be eligible for refund. Any refunded Advance Deposit shall not bear interest.
 2. The Applicant may be entitled to a refund of any remaining Advance Deposit when four (4) years have passed from the effective date of the Application and Agreement for Line Extension, if the Company's Actual Revenue during the first four (4) years from the Applicant's account(s) established under the Application and Agreement for Line Extension exceeds the original Line Extension Allowance. The amount eligible for refund shall be the amount by which Actual Revenue exceeds the Line Extension Allowance, if any. Refunds under this paragraph shall bear simple interest at the rate of seven (7) percent annually.

Such refunds will be made only to the original Applicant if still receiving service at the same location. In no case shall the total refund to the applicant exceed the amount of the Applicant's refundable Advance Deposit.

Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and becomes the property of the Company.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 31
Replaces Original Revised Sheet No. 31

- E. Method of Estimating Revenue – The estimated annual revenue shall be computed by the Company by applying the appropriate Rate Schedule to the monthly kWh (and kVA or kW if a factor in the rate schedule) of twelve (12) consecutive months estimated use of the prospective customer. (C)
- F. Commercial Underground Extension Procedure
1. The Applicant(s) will:
 - a. Provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill or any other restoration work required.
 - b. For padmount transformer installations the Applicant will also provide:
 - 1) Transformer pad per Company specifications.
 - 2) Service entrance conductors from the padmount location to the service entrance equipment.
 2. The Company will:
 - a. Install, maintain, and own all conductors up to the point of connection to the service entrance conductors.
- A. Travel-Trailer Parks – Those used mainly for tourist business with no platted streets. The underground will be installed, owned, and maintained by the travel-trailer park owner.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 32
Replaces Original Revised Sheet No. 32

804 – LINE EXTENSION CONSISTENCY

All service laterals added to existing underground distribution will be underground. All primary line extensions from existing underground distribution will be underground unless the Company and existing customers agree that an overhead line extension would not violate the consistency of the electric distribution facilities constructed or expected to be constructed. The Applicant shall be required to make an advance non-refundable contribution for the additional estimated construction cost of the overhead line extension.

805 – ROUTES AND RIGHTS-OF-WAY

The route of a line extension shall be selected by mutual agreement of the Applicant and the Company. The Applicant shall, without cost to the Company, make or procure satisfactory conveyance to the Company of right-of-way for the Company's lines necessary and incidental to the furnishing of electric service to the Applicant and for continuing, upgrading or extending said lines over and across the property owned or controlled by the Applicant. The Applicant shall, without cost to the Company, furnish a cleared right-of-way, and also grants to the Company for maintenance purposes, the right, as the Company may see fit, to cut, trim, or remove from said right-of-way any brush, trees, stumps, or roots.

806 – LINE EXTENSION LIMITS

In no event shall the Company be required to construct any line extension which, in its opinion, is not capable of further revenue development, or which requires special considerations because of unusual construction requirements, lack of reasonable assurance as to the permanent continuation of required Revenue, or any other unusual conditions.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 33
Replaces Original Revised Sheet No. 33

807 – CONTRACTS

The Company shall not be required to build an extension beyond the Line Extension Allowance until the prospective customer or customers have signed an acceptable contract guaranteeing to pay the minimum monthly charge as provided by the Rate Schedule under which service is requested for a period of not less than forty-eight (48) months, and the payment of any refundable Advance Deposit and/or non-refundable contribution for line extension construction required under this rule. If the premises to be served is occupied by a tenant or contract for deed holder, the Company may require the property owner to sign the contract.

808 – SERVICE EXTENSIONS TO LOADS OF QUESTIONABLE PERMANENCE

When service is requested for loads of questionable permanence, the Company will install, own, operate, and maintain all distribution facilities up to the point of attachment to the Applicant's service equipment subject to the following:

- A. Charges – Prior to commencement of construction, the Applicant shall make an advance payment to the Company in the amount of the Company's estimated construction costs. Such estimates shall include the entire cost of extending the Company distribution facilities and for increasing capacity of its existing facilities to serve the Applicant's electric load.
- B. Refunds – When such advances are made and when the electric service agreement provides for the refund of advance payments, such refunds will be made to existing customers as a credit equal to twenty percent (20%) of the previous month's billing applied to the current month's billing until the total advance payment is repaid or five (5) years has expired, whichever occurs first.

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004268



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 5
First Revised Sheet No. 34
Replaces Original Revised Sheet No. 34

809 - TAX ADJUSTMENTS

- A. Gross Receipts – Charges computed under this Section 800 will be increased by the applicable proportionate part of any assessment, or charge imposed or levied by any governmental authority as a result of laws or ordinances enacted, which is assessed or levied on the basis of revenue or gross receipts.
- B. Excise Tax – Refundable advance deposits are not subject to state and local sales tax and sales tax is not to be included in the calculation of the refundable portion of an Applicant's contribution. Excise tax at the rate of two (2) percent is applicable to all non-refundable contributions required by this Section 800.
- C. Federal Income Tax – Non-refundable contributions are subject to federal income tax at the time of receipt. As such, non-refundable contributions will be adjusted for the federal income tax resulting from the non-refundable contribution less the net present value of any future tax benefits the Company expects as a result of the construction of the requested facilities for which the non-refundable contribution is being made.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 1
Replaces Second Revised Sheet No. 1



NEW CUSTOMER QUESTION LIST

(C)

DATE OF REQUEST _____ NAME OF REQUESTER _____ PROJECT NAME _____

NAME OF PROPERTY OWNER(S) _____

PHYSICAL LOCATION OF SERVICE _____

MAILING ADDRESS OF SERVICE _____, SD, _____
STREET CITY ZIP

RANGE _____ TOWNSHIP _____ SECTION ¼ SECTION _____ DESCRIBED PROPERTY _____

SUBDIVISION NAME _____ LOT/BLOCK NUMBER(S) _____

MAILING ADDRESS OF OWNER _____, SD, _____
STREET CITY ZIP

PHONE NUMBERS OF OWNER _____
CELL HOME/BUSINESS WORK

ADJACENT LAND OWNERS POWER WILL CROSS: (Please provide copies of all Plats and deeds)

NAME _____ ADDRESS _____ PHONE _____

NAME _____ ADDRESS _____ PHONE _____

NAME _____ ADDRESS _____ PHONE _____

NAME OF ELECTRICIAN _____ PHONE NUMBER OF ELECTRICIAN _____

NAME OF CONTRACTOR _____ PHONE NUMBER OF CONTRACTOR _____

NAME OF TRENCHER _____ PHONE NUMBER OF TRENCHER _____

DATE ESTIMATE IS NEEDED BY _____ DATE SERVICE NEEDED BY _____

CIRCLE ONE → RESIDENTIAL OR COMMERCIAL PERMANENT OR TEMPORARY HOME GAS OR TOTAL ELECTRIC

MAIN PANEL SIZE _____ MAIN PANEL VOLTAGE _____

DATE AND TIME TO MEET AT SITE: _____

COMMENTS/CONTACTS/HISTORY _____

Note: Please call the BHP Business Office _____ to set up billing information on new service. The Business office will ask you to provide a letter of credit from your previous power provider or a deposit equal to two months revenue. All Temporary Construction Services will be charged the direct costs incurred for temporary connection and disconnection.

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

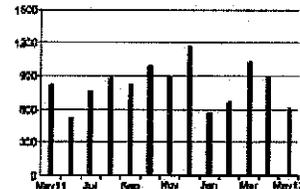
Section No. 6
Eighth Revised Sheet No. 2
Cancels Seventh Revised Sheet No. 2



PO BOX 6001
RAPID CITY SD 57703-6001

Customer Service: 1-800-742-8948 | 24-Hour Emergency: 1-800-839-8197 | Email: custserv@blackhillscorp.com | www.blackhillspower.com

Your electric use at a glance (in kWh)
for 123 PARK PLACE, RAPID CITY, SD
Meter BHP987654



	Days	kWh/Day	Cost/Day
This Month	30	20.23	\$2.58
Last Month	31	27.03	\$3.33
Last Year	29	28.98	\$3.37

Account Number: 1234 5678 90
Service For: MIKE SMITH
Billing Date: May 04, 2012

Current Month Charges Due May 24, 2012	77.39
Total This Bill	\$77.39

Your Account Summary (see following pages for details)

Previous Bill Total	\$108.88
Payments	THANK YOU 108.88 CR
Balance Forward	0.00

Current Month Charges Electric Service	77.39
Total This Bill	\$77.39

Your bill just got a makeover! Your bill now includes an easier-to-read summary, corresponding detail on the back, and a graph that shows current and historical usage at a glance. Visit our website for more information on how to read your bill.

A total of \$78.55 is due if full payment is not received by 05/31/2012.

Black Hills Cares helps eligible customers meet energy needs through voluntary tax-deductible donations. To give, please mark your payment stub with the monthly amount you wish to be billed, or donate when it's convenient for you. BHP matches your donation. Visit our website to learn more.



PO BOX 6001
RAPID CITY SD 57703-6001

MIKE SMITH
123 PARK PLACE
RAPID CITY SD 57701-0123

BLACK HILLS POWER
PO BOX 6001
RAPID CITY SD 57703-6001

002278800100000007855000000077399306

Account Number: 1234 5678 90

Current Month Charges Due May 24, 2012	77.39
Total This Bill	\$77.39

Make checks payable to: Black Hills Power

For Black Hills Cares easy enrollment, select a monthly donation to be included in future bills or a one-time donation included with payment for this bill:

\$5 \$10 \$20 Other \$ One-time \$





Save money. Save time. Save paper.

Use bill for convenient, secure, paperless billing and online payments
Sign up online today!
www.blackhillspower.com

Date Filed: May 31, 2012

By: Chris Kilpatrick
Director of Resource Planning
and Rates

Effective Date: July 3, 2012



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Seventh Revised Sheet No. 3
Cancels Sixth Revised Sheet No. 3

Account Number: 1234 5678 90 Page 2

Details of Current Charges -- Electric Service for 123 PARK PL/RAPID CITY,SD

Rate Code 10 (SD710)			Billing details for 04/03/12 - 05/03/12, 30 days.	
Meter Number: BHP987654			Customer Charge	5.25
Reading 05/03/12	10752		Energy Charge 607 kWh @ \$0.102	61.91
Reading 04/03/12	10145		Cost Adjustment Summary	2.85
	30 days	607 Kilowatt Hours (kWh)	City Sales Tax \$73.01 @ 2%	1.46
Your average daily usage was		20.23 kWh	State Sales Tax \$73.01 @ 4%	2.92
Last year this period it was		26.38 kWh	Total charge this service	\$77.39

Payments		
04/24/2012	109.66 CR	
Total Payments	\$109.66 CR	

Important Information

If you disagree with any part of this bill please pay the undisputed amount by the due date and contact us. If we cannot agree on an amount to be paid, you may then contact the Public Utilities Commission for appeal and mediation at 500 East Capitol Ave, Pierre SD 57501 or 605-773-3204.

For a complete description of terms and fees on your bill, please visit www.blackhillspower.com

To enroll in our Automatic Bank Transfer program for electronic payments or to update your mailing address, access your account at www.blackhillspower.com. Updates are quick, easy, and secure!



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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

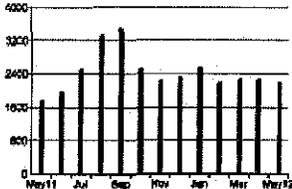
Section No. 6
Seventh Revised Sheet No. 4
Cancels Sixth Revised Sheet No. 4



PO BOX 6001
RAPID CITY SD 57709-6001

Customer Service: 1-800-742-8948 | 24-Hour Emergency: 1-800-835-8197 | Email: custserv@blackhillspower.com | www.blackhillspower.com

Your electric use at a glance (In kWh)
for 123 PARK PLACE, RAPID CITY, SD
Meter BHP 12312345



	Days	kWh/Day	Cost/Day
This Month	30	73.33	\$18.84
Last Month	32	71.25	\$18.44
Last Year	29	62.69	\$9.21

Account Number: 1234 5678 90
Service For: MIKES BUSINESS
Billing Date: May 04, 2012

Current Month Charges Due May 24, 2012	328.05
Total This Bill	\$328.05

Your Account Summary (see following pages for details)

Previous Bill Total	\$333.94
Payments	THANK YOU 333.94 CR
Balance Forward	0.00
Current Month Charges Electric Service	328.05
Total This Bill	\$328.05

Your bill just got a makeover! Your bill now includes an easier-to-read summary, corresponding detail on the back, and a graph that shows current and historical usage at a glance. Visit our website for more information on how to read your bill.

A total of \$332.97 is due if full payment is not received by 05/31/2012.

Black Hills Cares helps eligible customers meet energy needs through voluntary tax-deductible donations. To give, please mark your payment stub with the monthly amount you wish to be billed, or donate when it's convenient for you. BHP matches your donation. Visit our website to learn more.



PO BOX 5001
RAPID CITY SD 57709-5001

MIKES BUSINESS
123 PARK PLACE
RAPID CITY SD 57703-0123

BLACK HILLS POWER
PO BOX 6001
RAPID CITY SD 57709-6001

006946226700000033297000000328050306

Account Number: 1234 5678 90

Current Month Charges Due May 24, 2012	328.05
Total This Bill	\$328.05

Make checks payable to: **Black Hills Power**

For Black Hills Cares easy enrollment, select a monthly donation to be included in future bills or a one-time donation included with payment for this bill:

\$5 \$10 \$20 Other \$ One-time \$


 Save money.


 Save time.


 Save paper.

Use eBill for convenient, secure, paperless billing and online payments.
Sign up online today!
www.blackhillspower.com

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By: Chris Kilpatrick
Director of Resource Planning and Rates

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Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Sixth Revised Sheet No. 5
Cancels Fifth Revised Sheet No. 5

Account Number: 1234 5678 90 Page 2

Details of Current Charges – Electric Service for 123 PARK PLACE/RAPID CITY, SD

Rate Code 201 (SD72D)		Billing details for 04/03/12 - 05/03/12, 30 days.	
Meter Number: BHP12312345		Customer Charge	11.00
Kilowatt Hours		Capacity Charge 5 kW @ \$0.00	0.00
Reading	05/03/12 984	Capacity Charge 9.4 kW @ \$6.40	60.16
Reading	04/03/12 939	Energy Charge 1,000 kWh @ \$0.1105	110.50
	30 days	Energy Charge 1,200 kWh @ \$0.0955	114.60
		Cost Adjustment Summary	12.76
		City Sales Tax \$309.45 @ 2%	6.19
		State Sales Tax \$309.45 @ 4%	12.38
		Total charge this service	\$328.05

Your average daily usage was	73.33 kWh
Last year this period it was	60.68 kWh

Capacity Charge	
Reading	05/03/12 0.35 Kilowatt (kW)
	x 40 Multiplier
	14.00 Kilowatt (kW)
Billing Capacity	14.4 Kilowatt (kW)

Payments	
04/12/2012	333.94 CR
Total Payments	\$333.94 CR

Important Information

If you disagree with any part of this bill please pay the undisputed amount by the due date and contact us. If we cannot agree on an amount to be paid, you may then contact the Public Utilities Commission for appeal and mediation at 600 East Capitol Ave, Pierre SD 57501 or 605-773-3201.

For a complete description of terms and fees on your bill, please visit www.blackhillspower.com

To enroll in our Automatic Bank Transfer program for electronic payments or to update your mailing address, access your account at www.blackhillspower.com. Updates are quick, easy, and secure!



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004274



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 7
Replaces Second Revised Sheet No. 7

ELECTRIC POWER SERVICE CONTRACT (TYPE #1)
State Of South Dakota

Contract Number _____
Effective Date _____

THIS CONTRACT, made between Black Hills Power, Inc. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its facility, located at _____. Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at a nominal voltage of _____ volts.
2. Company Facilities & Contract Capacity. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arresters, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be at _____. Such facilities of Company shall be of sufficient capacity to satisfy a demand by Customer of _____ (kilovolt amperes) of electric power, which shall constitute the Contract Demand hereunder. Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase, and adjustment in Contract Demand shall be made accordingly.
3. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.
5. Terms. The initial term of this Agreement shall commence on _____, 20____, and shall extend for a period of not less than _____ years, and if not then terminated by at least - _____ months prior written notice by either party, the contract shall continue until so terminated. (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 8
Replaces First Revised Sheet No. 8

6. Payment. Company shall bill, and the Customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefore, pursuant to the Company's _____ electric rate schedule, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and the Customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.
7. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.
8. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service. Minimum and demand charges in said rate schedule shall be prorated should Customer be prevented from taking energy for a period in excess of forty-eight (48) hours occasioned by the occurrence of any of the above events to the Company's system.
9. Liability And Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
10. Disconnect. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.

(C)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004277



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 9
Replaces Second Revised Sheet No. 9

- 11. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 12. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its facility located at and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this _____ day of _____, 20____, binding and extending to their successors and assigns.

Black Hills Power, Inc.

By: _____ By: _____

Title: _____ Title: _____ (T)

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 10
Replaces Second Revised Sheet No. 10

Electric Power Service Contract (Type #2)
State of South Dakota

Contract Number _____
Effective Date _____

THIS CONTRACT, made between BLACK HILLS POWER, INC. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its facility, located at _____. Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at a nominal voltage of _____ volts. (T)
2. Company Facilities & Contract Capacity. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arrestors, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be at _____. Such facilities of Company shall be of sufficient capacity to satisfy a demand by Customer of _____ (kilowatts) (kilovolt amperes) of electric power, which shall constitute the Contract Demand hereunder. Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase, and adjustment in Contract Demand shall be made accordingly.
3. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.
5. Terms. The effective date of this contract shall be _____, 20____, and shall continue for a period of not less than _____ years, and if not then terminated by at least _____ months prior written notice by either party, shall continue until so terminated. (T)

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 11
Replaces First Revised Sheet No. 11

- (C)
6. Payment. Company shall bill, and the customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefor, pursuant to the Company's electric rate schedule ____, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and the customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.
 7. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.
 8. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service. Minimum and demand charges in said rate schedule shall be prorated should Customer be prevented from taking energy for a period in excess of forty-eight (48) hours occasioned by the occurrence of any of the above events to the Company's system.
 9. Liability and Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
 10. Disconnect. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004280



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 12
Replaces Second Revised Sheet No. 12

- 11. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 12. Advance Payment. In consideration thereof, Customer agrees to advance to Company for the location and installation of the above named facilities the sum of _____, and it is understood and agreed that this advance payment does not entitle Customer to an interest in or lien upon the above mentioned facilities.
- 13. Refund of Advanced Payment. It is further understood and agreed that Customer, its successors or assigns will receive from the Company, as refund on said amount of _____ paid and to be paid under this Agreement, a credit each month equal to 20% of Customer's bill for the previous month for electric power and energy supplied pursuant to this Agreement for and during a period of five (5) years from the effective date of this Agreement, or for such lesser period of time as will be required to refund the said amount paid, no refund to be made; however, after five (5) years from the effective date of this Agreement.
- 14. Payment of Services. It is further understood and agreed that the sums to be paid by Customer under the terms of this Agreement do not and shall not constitute or be considered as a deposit or guarantee for service, and should Customer, its successors or assigns, fail to pay for service furnished by the Company, and otherwise to conform to and abide by the Rules and Regulations of the Company, the Company shall have the right without notice or demand to discontinue the furnishing of such service until the defaults in the payments of monthly bills have been fully removed and all payments due the Company have been paid in full.
- 15. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its _____ located at and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this _____ day of _____, 20____, binding and extending to their successors and assigns.

BLACK HILLS POWER, INC.

By: _____

By: _____

Title: _____

Title: _____

(T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 13
Replaces First Revised Sheet No. 13

IRRIGATION PUMPING CONTRACT
State of South Dakota

Contract Number _____
Effective Date _____

(C)

THIS CONTRACT, made between BLACK HILLS POWER, INC. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its Irrigation Pumping Station, located in _____

Such power and energy shall be _____ Phase, alternating current, approximately 60 hertz, at a nominal voltage of _____ volts.

2. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arrester, meter, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be _____. Such facilities of Company shall be of sufficient capacity to satisfy a demand by Customer of _____ (horsepower) of electric power. Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase.
3. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of points of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property, and it shall have the right to inspect, repair or remove the same.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 14
Replaces Second Revised Sheet No. 14

Irrigation Pumping Contract (Type #1 continued)

(C)

5. Company shall bill, and the Customer shall pay for all electric power and energy supplied hereunder pursuant to the rates, charges, terms and conditions set forth in the Irrigation Pumping Schedule as attached hereto, and made a part hereof and upon all other terms and conditions set forth in this Agreement. The net annual charge as determined pursuant to Schedule _____ shall be (plus applicable tax), and one-third (1/3) thereof shall be due and payable in each of the billing months of April, May and June of each calendar year. Bills rendered for energy charges shall be due and payable when received. It is understood that the initial basis for charges pursuant to this Contract as above referred to may be revised by the Company from time to time, and the Customer agrees that should the Company, during the term of this Contract, revise or eliminate the schedule of rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this Contract thereafter. Customer shall be notified promptly of any such revision or elimination.
6. In the event that any bill for electric service is not paid in accordance with payment provisions set forth herein, Company may suspend the supply of power and energy or cancel this Contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the Contract or from liability for damages because of any breach hereof.
7. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident, or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service.
8. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and Customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
9. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after written notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this Contract.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004283



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Fourth Revised Sheet No. 15
Replaces Third Revised Sheet No. 15

Irrigation Pumping Contract (Type #1 continued)

- 10. The provisions of this Contract shall not be changed except by writing duly signed by Company and Customer. However, the Contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 11. The effective date of this Contract shall be _____, and shall continue for a period of _____ year(s) and thereafter until terminated by either party giving the other not less than thirty (30) days' written notice.

ACCORDINGLY, the parties hereto have executed this Contract in duplicate this _____ day of _____, 20__, binding and extending to their successors and assigns.

By: _____ By: _____

Title: _____ Title: _____ (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 16
Replaces Second Revised Sheet No. 16

ELECTRIC POWER SERVICE CONTRACT
State Of South Dakota

Contract Number _____
Effective Date _____

(C)

THIS CONTRACT, made between Black Hills Power, Inc. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's **qualified energy storage equipment** installed or to be installed by it at its facility, located at _____. Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at a nominal voltage of _____ volts.
2. Company Facilities & Contract Capacity. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arresters, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the point of delivery which shall be at _____. Such facilities of Company shall be of sufficient capacity to satisfy a **maximum On-Peak demand** by Customer of _____ (kilowatts) of electric power, which shall constitute the **Partial Storage Demand Limit** hereunder. **Customer has elected the _____ option under the Energy Storage Service schedule.**
3. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.
4. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.
5. Terms. The initial term of this Agreement shall commence on _____, 20____, and shall extend for a period of not less than **three years**, and if not then terminated by at least **twelve months** prior written notice by either party, the contract shall continue until so terminated.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 17
Replaces Second Revised Sheet No. 17

Energy Storage Service Contract (continued)

(C)

6. Payment. Company shall bill, and the Customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefore, pursuant to the Company's Energy Storage Service electric rate schedule, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and the Customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.
7. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.
8. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service. Minimum and demand charges in said rate schedule shall be prorated should Customer be prevented from taking energy for a period in excess of forty-eight (48) hours occasioned by the occurrence of any of the above events to the Company's system.
9. Liability And Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of the point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
10. Disconnect. If for any reason the Customer desires the facilities temporarily disconnected the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004286



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Fourth Revised Sheet No. 18
Replaces Third Revised Sheet No. 18

Energy Storage Service Contract (continued)

- 11. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 12. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its facility located at and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this _____ day of _____, 20____, binding and extending to their successors and assigns.

Black Hills Power, Inc.

By: _____ By: _____

Title: _____ Title: _____ (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Third Revised Sheet No. 19
Replaces Second Revised Sheet No. 19

<p>Budget Billing Plan If your electric bills fluctuate with the seasons, you should check into Black Hills Power's Budget Billing Plan. By averaging your high and low bills, your monthly payment remains constant, with only minor changes from month to month. This program helps even out the peaks and valleys in energy use and makes it easier on your budget.</p>	<p>Pay In Person You may pay your bill in person at any BHP Customer Service office during regular business hours, or use the convenient drop box located at each office.</p>	<p>Make Your Life Easier! Complete, sign and mail this form to Black Hills Power, PO Box 6006, Rapid City, SD 57709.</p> <p>YES! Sign me up for the following:</p> <p><input type="checkbox"/> Budget Billing</p> <p><input type="checkbox"/> Paid By Bank</p> <p><input type="checkbox"/> I have enclosed a voided check, or a photocopy, for verification of my bank account number</p>
<p>Paid By Bank - Automatically With your authorization, the exact amount of your bill can be automatically withdrawn from your savings or checking account each month on its due date. In the event you have a question about your bill, you have a 10-day period to stop the payment withdrawal.</p>	<p>Belle Fourche 620 State St. Belle Fourche, SD 57717 605-723-2460</p> <p>Custer 447 Mt. Rushmore Rd. Custer, SD 57730 605-873-4455</p> <p>Deadwood 425 Cliff St. Deadwood, SD 57732 605-722-2420</p>	<p>Customer Information</p> <p>Name: _____</p> <p>Account Number: _____</p> <p>Service Address: _____</p> <p>City: _____</p> <p>State: _____ Zip: _____</p> <p>Home Phone: _____</p> <p>Work Phone: _____</p> <p>E-mail: _____</p> <p>Signature: _____</p>
<p>Paid Online Black Hills Power offers you a quick, reliable way to pay your bill with our online SpeedPay option. You can make your monthly payment with a check or credit card (Visa, Mastercard or Discover) online for a Western Union service fee. The fee for residential customers is \$3.95 per \$1,000 transaction. The fee for commercial customers is \$9.95 per \$2,000 transaction.</p>	<p>Hot Springs 401 N. River St. Hot Springs, SD 57747 605-745-3120</p> <p>Newell 121 3rd St. Newell, SD 57760 605-456-2896</p>	
<p>Pay By Phone To pay your bill by phone using our SpeedPay service, call the toll-free number at 1-866-499-3942. SpeedPay allows you to pay your monthly bill with a check or credit card (Visa, Mastercard or Discover) over the phone for a Western Union service. The fee for residential customers is \$3.95 per \$1,000 transaction. The fee for commercial customers is \$9.95 per \$2,000 transaction.</p>	<p>Pay By Mail You can mail your payment to Black Hills Power using the convenient two-way envelope that your bill comes in, or you can mail your bill to: Black Hills Power PO Box 1440 Rapid City, SD 57709</p> <p>Pay At Your Bank You may pay at most banking institutions in the Black Hills area by presenting your payment stub at the time of payment.</p>	

Date Filed: June 30, 2009

By: Chris Kilpatrick
Director of Rates

Effective Date: For service on
and after August 1, 2009



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 20
Replaces First Revised Sheet No. 20

BHLP COPY

No 801243



**RESIDENTIAL ELECTRIC SERVICE
GUARANTEE CONTRACT**

DATE

IN THE AMOUNT OF \$ _____

In consideration of Black Hills Power, Inc. ("Company"), not requiring a deposit to establish satisfactory credit for the payment of electric utility service, I, ("Guarantor"), do hereby guarantee payment to the Company for all sums and accounts which shall hereinafter become due or payable to the Company for electric service furnished by the Company to ("Customer"), as shown and indicated by this agreement and the books and accounts of the Company.

This contract shall automatically terminate upon the happening of either of the following:

- (a) After the Customer establishes satisfactory credit under the provisions of Section 20:10:19:11 of the Administrative Rules of The South Dakota Public Utilities Commission; or
- (b) After 60 days written notice is given by the Guarantor to the Company.

The Company shall notify the Guarantor by first class mail to the Guarantor's address as set forth herein when a disconnect notice has been sent to

CUSTOMER'S ELECTRIC ACCOUNT NUMBER

CUSTOMER'S NAME

CUSTOMER'S SERVICE ADDRESS

CITY, STATE & ZIP CODE

GUARANTOR'S NAME

MAILING ADDRESS

CITY, STATE & ZIP CODE

GUARANTOR'S SIGNATURE

BHPL FORM #2



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 22
Replaces First Revised Sheet No. 22

Residential Customer Information Booklet

(C)

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

004291



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 23
Replaces Original Sheet No. 23

District _____
W.O.# _____

(C)

BLACK HILLS POWER, INC.
Application and Agreement for Electric Service Extension
State of South Dakota

Contract Number _____
Effective Date _____

Black Hills Power, Inc. (the Company) and the "Applicant"

Applicants: _____
Address _____ City _____ Zip _____

Agree as follows:

(1) The Company will install and furnish electric serve for the Customer at for a new _____
located in _____ in accordance with rates and extension rules on file with the
South Dakota Public Utilities Commission.

(2) The Applicant agrees to accept service under the following rate schedule _____
_____ or if eliminated, the most economical and applicable remaining rate
schedule for a period of not less than forty-eight (48) months from the date of initial service. That
Annual Revenue from service to the Applicant as determined under Section 800 Line Extensions
of the Company's Tariffs is \$ 0.00 resulting in a Line Extension Allowance of \$0.00 of
Company financed facilities (cost estimate attached).

if it is determined at any time subsequent to execution of this Application that the Applicant has
changed the nature of his/her electrical service, the Line Extension Allowance shall be adjusted
accordingly, which may result in a charge to the Applicant, if the construction costs exceed the
correct Line Extension Allowance.

(3) If applicable, the Applicant agrees to pay to the Company, prior to construction facilities:
(a) A refundable Advance Deposit subject to the rules filed by the Company for the cost of
extending electric facilities beyond the Line Extension Allowance determined at (2) above. \$ _____

(4) The Applicant shall, without cost to the Company, make or procure satisfactory conveyance to
Company of right-of-way for Company's lines necessary and incidental to the furnishing of service
to Customer and for continuing, upgrading or extending said lines over and across the property
owned or controlled by Applicant.

(5) The Applicant shall, without cost to the Company, furnish a cleared right-of-way, and also grants
to the Company for maintenance purposes, the right, as the Company may see fit, to cut, trim, or
remove from said right-of-way any brush, trees, stumps, or roots.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 24
Replaces Original Sheet No. 24

Application and Agreement for Electric Service Extension (continued)

(C)

- (6) For underground line extensions and service laterals the Applicant will provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill, or any other restoration work required.
- (7) The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
 - (a) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (3) if additional extensions are constructed from the electric facilities requested herein. Only those line extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions and be considered when determining the Applicant's entitlement of a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant contacting the Company regarding the construction of additional electric facilities. The refunded Advance Deposit shall not bear interest.
 - (b) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (3) if the actual revenue from the Applicant's account(s) served during the first four (4) years as a result of this application exceeds the Line Extension Allowance. The refunded Advance Deposit shall bear simple interest at the rate of seven (7) percent annually.

Refunds will be made only to the Applicant if still receiving service at the same location. Eligibility for refunds under (a) above is limited to four (4) years from the effective date of this agreement. Eligibility for refunds under (b) above is determined four (4) years from the effective date of this agreement. In no case shall the total refund to the Applicant exceed the amount of the Advance Deposit. Any Advance Deposit not refunded to the Applicant as set forth above shall be retained and become the property of the Company.

- (8) The refundable Advance Deposit or any portion thereof shall not be assignable by the Applicant. Payments of such refundable Advance Deposit shall continue to be made when due to the Applicant notwithstanding a transfer of the place to which electric service was extended.

Applicant

Black Hills Power Inc.
Accepted by:

Date _____

Date _____

Copies: Applicant
Property
G.O. Contract file
District Office

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 25
Replaces Original Sheet No. 25

District _____
W.O.# _____

(C)

BLACK HILLS POWER, INC.
Optional Seasonal Use
Application and Agreement for Electric Service Extension
State of South Dakota

Black Hills Power, Inc. (the Company) and the "Applicant" _____ Address _____
_____ City _____ Zip _____ Agree _____
as follows:

- (1) The Company will install and furnish electric serve for the Customer at _____
_____ in accordance with rates and extension rules on file with the South Dakota Public Utilities Commission.
- (2) Applicant has elected this option in place of the seasonal line extension allowance of \$1,000 or a demonstration to the Company's satisfaction that the Applicant's residence to be served is a Permanent Year-Round Dwelling. A Permanent Year-Round Dwelling being the residence which includes a well or water hook-up, sewer or septic-system, automatic heating system and is otherwise likely to be inhabited year-round
- (3) The Applicant agrees to accept service under the following rate schedule _____
_____ or if eliminated, the most economical and applicable remaining rate schedule for a period of not less than ninety-six (96) months from the date of initial service. That Annual Revenue from service to the Applicant as determined under Section 800 Line Extensions of the Company's Tariffs is \$ _____
resulting in a Line Extension Allowance of \$ _____ of Company financed facilities (cost estimate attached). The Applicant further agrees to pay a minimum of the annual Revenue amount each year, regardless of electrical consumption, for a period of eight years from the date of this agreement.

If it is determined at any time subsequent to execution of this Application that the Applicant has changed the nature of his/her electrical service, the Line Extension Allowance shall be adjusted accordingly, which may result in a charge to the Applicant, if the construction costs exceed the correct Line Extension Allowance.
- (4) If applicable, the Applicant agrees to pay to the Company, prior to construction facilities:
 - (b) A refundable Advance Deposit subject to the rules filed by the Company for the cost of extending electric facilities beyond the Line Extension Allowance determined at (3) above. \$ _____
- (5) The Applicant shall, without cost to the Company, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to Customer and for continuing, upgrading or extending said lines over and across the property owned or controlled by Applicant.
- (6) The Applicant shall, without cost to the Company, furnish a cleared right-of-way, and also grants to the Company for maintenance purposes, the right, as the Company may see fit, to cut, trim, or remove from said right-of-way any brush, trees, stumps, or roots.

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
First Revised Sheet No. 26
Replaces Original Sheet No. 26

Optional Seasonal Use Application and Agreement for Electric Service Extension (continued)

(C)

- (7) For underground line extensions and service laterals the Applicant will provide all trenching to the Company specifications, washed sand, or approved bedding, conduit when required, backfill, or any other restoration work required.
- (8) The Applicant will be entitled to refunds of the Advance Deposit under two (2) separate and distinct calculations:
 - (a) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (4) if additional extensions are constructed from the electric facilities requested herein. Only those line extensions which connect directly with the facilities partially financed by the Applicant, without any intervening line extensions and be considered when determining the Applicant's entitlement of a refund. The refund will be equal to the difference between the applicable Line Extension Allowance for the new applicant and the estimated construction cost of the additional electric facilities. The Applicant will receive any applicable refund within thirty (30) days of the Applicant contacting the Company regarding the construction of additional electric facilities. The refunded Advance Deposit shall not bear interest.
 - (b) The Applicant may be entitled to a refund of all or part of any Advance Deposit required under paragraph (4) if the actual revenue from the Applicant's account(s) served during the first four (4) years as a result of this application exceeds the Line Extension Allowance. The refunded Advance Deposit shall bear simple interest at the rate of seven (7) percent annually.
- (9) The refundable Advance Deposit or any portion thereof shall not be assignable by the Applicant. Payments of such refundable Advance Deposit shall continue to be made when due to the Applicant notwithstanding a transfer of the place to which electric service was extended.

Applicant

Black Hills Power, Inc.
Accepted by:

Date _____

Date _____

Copies: Applicant
Property
G.O. Contract file
District Office

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 27
Replaces First Revised Sheet No. 27

ELECTRIC POWER SERVICE CONTRACT
COMBINED ACCOUNT BILLING
State Of South Dakota

Contract Number _____
Effective Date _____

THIS CONTRACT, made between Black Hills Power, Inc. (hereinafter referred to as "Company"), and _____ (hereinafter referred to as "Customer"),

WITNESSETH: That the parties hereto, for and in consideration of the mutual agreements hereinafter set forth, contract as follows:

1. Electric Power Supply. Company shall supply, and the Customer shall take all electric power and energy required for the operation of Customer's equipment installed or to be installed by it at its multiple service locations described in Exhibit "A". Such power and energy shall be three (3) phase, alternating current, approximately 60 cycles, at the nominal voltages listed in Exhibit "A".
2. Company Facilities. Company agrees to extend and maintain its lines to the premises of Customer and to install all transformers, switches, lightning arresters, meters, recording devices and other apparatus necessary for the purpose of delivering and measuring the power and energy at the points of delivery as described in Exhibit "A". Such facilities of Company shall be of sufficient capacity to satisfy an electric power demand by Customer at each service location as listed in Exhibit "A". Customer shall notify Company of any anticipated substantial increase in demand not less than ninety (90) days prior to date of such increase.
3. Combined Account Billing. Customer has elected the "Combined Account Billing" option of the General Service Large rate schedule. The Combined Account Billing option applies to any single natural person, partnership, limited liability company, corporation, or controlled group of corporations as defined in 26 U.S.C. § 1563(a) ("Single Customer"), which Single Customer has multiple accounts at multiple service locations. Each Single Customer account currently billed on Company's General Service Large rate tariff must be converted to the Combined Account Billing rate tariff. Single Customer accounts approaching a size and character that would qualify for Company's General Service Large rate tariff will be considered by the Company for Combined Account Billing on a case-by-case basis. Single Customer's energy use (kWh), reactive energy use (kVARh) and peak demand (kW), for each service, will be added together and the combined totals will be used in calculating the Single Customer's electric bill. Single Customer agrees to pay a "Combined Account" service charge, as defined in the GLC rate tariff, each month to cover the administration, billing and metering of the account.
4. Coincident Demand and Energy Billing. Upon mutual agreement between Customer and Company, Company agrees to install metering equipment, within five (5) years of the effective date of this contract, that will allow the peak demands and energy for each account to be added on a coincident basis. (T)
5. Customer Facilities. Customer shall install and maintain, at its own expense, in approved standards of construction, all other facilities on Customer's side of point of delivery which are necessary for the proper reception of electrical power and energy and for its use beyond such point. Such facilities and Customer's plant equipment shall be of types which will not interfere with other service rendered by Company and be subject to inspection by Company at reasonable times.

Date Filed: December 17, 2012
Docket: EL12-061

By: Chris Kilpatrick
Director of Rates

Effective Date: October 1, 2013



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 28
Replaces First Revised Sheet No. 28

Combined Account Billing for Electric Service Extension (continued)

6. Right Of Way. Customer agrees to provide Company, without cost, a suitable location and right of way on Customer's premises for necessary lines and apparatus. All apparatus installed by and at cost of Company shall remain its property and it shall have the right to inspect, repair or remove the same.
7. Terms. The effective date of this Agreement shall be _____, _____, and shall continue for a period of not less than three years and shall thereafter continue as long as the Company has the exclusive legal right to serve the customer. At such time as the Customer has the current legal right to receive or request delivery of its electric power from an alternative energy supplier under terms and conditions which are not subject to the jurisdiction of the South Dakota Public Utilities Commission ("Customer Choice"), then the Customer may request that the Company meet the terms of a Bona Fide Offer, as defined below, from any alternative energy supplier. In order to qualify as a Bona Fide Offer, the initial term must be at least six (6) months. Customer shall provide Company its request for proposal at least two weeks prior to the deadline for receiving bids for electric power from alternative energy suppliers. Upon Customer's selection of the bid winner ("Bona Fide Offer"), Customer shall supply to Company the terms and conditions of the Bona Fide Offer and other information which may be pertinent to Company's evaluation of the Bona Fide Offer. Upon personally confirmed receipt of the Bona Fide Offer, the Company will accept or reject Customer's terms and conditions of the Bona Fide Offer within a mutually agreed upon time frame, but no later than 3 working days of receiving the Bona Fide Offer. If the Company is unable or unwilling to meet the terms and conditions of the Bona Fide Offer, then Customer shall have the right to take its electric power and energy from the alternative energy supplier. The Company's right hereunder to meet the terms of any Bona Fide Offer from an alternative energy supplier shall extend for five years after Customer Choice has been implemented. In the event that Customer takes electric power from an alternative energy supplier under the terms of a contract which extends for less than five years after Customer Choice has been implemented, then the Company's right to meet the terms of any Bona Fide Offer from an alternative energy supplier shall again apply at the termination of Customer's contract and the Company's right hereunder shall have first priority over any similar rights (including, without limitation, options to extend) granted to other energy suppliers. (T)
8. Payment. Company shall bill, and the customer shall pay for all electric power and energy supplied hereunder at the rates and charges due and payable therefore, pursuant to the Company's General Service-Large (Optional Combined Account Billing) electric rate schedule, copy of which is attached as a part hereof, and upon the terms and conditions set forth in such rate schedule and in the Company's rules and regulations. It is understood that the initial basis for charges pursuant to this contract as above referred to may be revised by the Company from time to time, and Customer agrees that should the Company, during the term of this contract, revise or eliminate the schedule or rates attached hereto, such revised rate schedule or the remaining applicable rate schedule most favorable to Customer shall be the basis for charges under this contract thereafter. Customer shall be notified promptly of any such revision or elimination.
9. Non-Payment. In the event that any bill for electric service is not paid in accordance with payment provisions of the effective rate schedule, Company may suspend the supply of power and energy or cancel this contract, but such action shall not release Customer from the obligation to pay for service furnished and the minimum charges under said rate schedule for the unexpired period of the contract or from liability for damages because of any breach hereof.
10. No Guarantee Of Continuous Service. Company will endeavor to maintain adequate and continuous service, but does not guarantee that the supply of energy will at all times be constant. In case service should be interrupted or fail by an act of God or public enemy, fire, explosion, flood, strike, other cessation of work by personnel, picketing, insurrection, mob violence, governmental interference, breakdown of or injury to machinery or lines, extraordinary repairs, or other accident or other causes not reasonably within its control, Company shall not be liable for damages on account of interruption of service.



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Second Revised Sheet No. 29
Replaces First Revised Sheet No. 29

Combined Account Billing for Electric Service Extension (continued)

- 11. Liability And Indemnification. Company shall not be liable for any loss or damage to property or injury to or death of persons, whether suffered by Customer, its agents or employees, or by any third person, persons or corporation, resulting from the location, use or operation of electrical or other equipment located on Customer's side of each point of delivery, or from electric energy present therein or escaping therefrom, and customer agrees to indemnify and save Company harmless from all such loss, damages, injuries or death.
- 12. Disconnect. If for any reason the Customer desires the facilities at any of its service locations be temporarily disconnected, the Company shall comply with such request within a reasonable time after notice thereof; provided, however, such discontinuance shall in no case relieve the Customer from complying with the terms of this contract.
- 13. Amendments. The provisions of this contract shall not be changed except by writing duly signed by Company and Customer. However, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction over the Company's rates.
- 14. Assignees And Successors. This contract shall inure to and be binding and enforceable upon Customer and its assigns, lessees and successors in interest to its multiple service locations described in Exhibit "A" and upon Company's assigns, lessees, and successors in interest.

ACCORDINGLY, the parties hereto have executed this contract in duplicate this ____ day of _____, binding and extending to their successors and assigns.

Black Hills Power, Inc.

Customer Name

By: _____

By: _____

Title: _____

Title: _____ (T)



Black Hills Power, Inc.
Rapid City, South Dakota

SOUTH DAKOTA ELECTRIC RATE BOOK

Section No. 6
Original Sheet No. 30



(N)

GRADE AGREEMENT

This Agreement made the _____ day of _____, 20____
between Black Hills Power, Inc. hereinafter called the Company, and _____
_____, hereinafter called the Developer, witnesseth:

The Company will locate its equipment, and facilities in areas requested and designated by the Developer on the land being developed by Developer as shown on the Map or Plat of _____ which Map or Plat is hereby attached to and made a part of this Agreement. The Developer shall furnish to the Company the final elevations and grades, which final elevations and grades shall be accurate to ±6 inches (final elevations and grades, are interpreted to mean, all work necessary prior to acceptance by homeowner). In addition, the Developer shall advise the Company prior to commencing any excavations or grades after Company facilities have been constructed, Developer will pay at its sole expense all costs of raising, lowering, relocating, or otherwise rearranging, repairing, or changing such facilities when in the opinion of the Company such work is necessary to provide required clearances, stability and protection of structures or underground facilities in accordance with an applicable building or construction codes, and policies of the Company. In the event that the Developer or any independent contractor of the Developer has not complied with the terms and conditions of this Agreement, and if damage to any existing Company facilities occurs, the Developer shall pay all damages and loss suffered by the Company in repairing, relocating, or replacing such facilities, including a reasonable attorney's fee.

The Developer will establish a sufficient number of lot corners when requested by Company in order that the Company facilities may be placed in its proper location with respect to easement, street, or alley lines, and other utilities.

In witness whereof the aforesaid parties have hereunto by their authorized representatives set their hands and seals on the day and year first above written.

Witness or Attest:

Black Hills Power
By: _____

Developer

By: _____

Date Filed: June 30, 2006

By: Jacqueline A. Sargent
Director of Rates

Effective Date: For service on
and after January 1, 2007

BLACK HILLS POWER, INC.
COMPARISON OF REVENUE FROM SALES
UNDER PRO FORMA AND PROPOSED RATES
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

Section 3
Page 1 of 3

LINE NO.	TARIFF SCHEDULE	RATE IDS	kWh	REVENUE FROM SALES				AVERAGE NUMBER OF CUSTOMERS	
				PRO FORMA RATES	PROPOSED RATES	PROPOSED INCREASE AMOUNT	PROPOSED INCREASE % INCREASE		
RESIDENTIAL SERVICE									
1	Residential	Sect 3, 1-2	SD710, SD875	328,835,952	\$ 42,956,794	\$ 47,975,480	\$ 5,018,686	11.68%	42,144
2	Residential Total Electric	Sect 3, 3-4	SD712, SD876	88,923,685	\$ 9,450,758	\$ 10,108,103	657,345	6.96%	6,725
3	Residential Demand Metered	Sect 3A, 1-3	SD714, SD716, SD887	90,666,049	\$ 8,137,939	\$ 8,998,136	860,197	10.57%	3,579
4	Utility Controlled Residential (Closed)	Sect 3A, 4-5	SD717	131,002	\$ 8,735	\$ 9,274	539	6.17%	3
5	TOTAL Residential Service			508,556,688	\$ 60,554,226	\$ 67,090,992	\$ 6,536,767	10.79%	52,450
6									
7									
8	SMALL GENERAL SERVICE								
9	General Service	Sect 3, 7-8	SD720, SD770, SD878	356,168,400	\$ 46,242,061	\$ 49,662,738	3,420,676	7.40%	10,841
10	General Service - Total Electric	Sect 3, 9-10	SD723, SD703	38,153,493	\$ 4,314,389	\$ 4,614,629	300,240	6.96%	882
11	Irrigation Pumping	Sect 3, 19-20	SD726	887,365	\$ 119,166	\$ 126,457	7,290	6.12%	18
12	Utility Controlled General Service (Closed)	Sect 3A, 11-12	SD727	2,375,455	\$ 166,068	\$ 178,024	11,957	7.20%	24
13	Energy Storage Service	Sect 3A, 6-10	SD755	4,800,579	\$ 374,486	\$ 402,899	28,412	7.59%	20
14	Municipal Pumping Service	Sect 3, 24-25	SD743	23,373,116	\$ 2,062,417	\$ 2,199,447	137,030	6.64%	98
15	Small Interruptible General Service (Closed)	Sect 3A, 18-20	SD750	211,580	\$ 19,185	\$ 20,454	1,269	6.62%	4
16	TOTAL Small General Service			425,969,988	\$ 53,297,772	\$ 57,204,647	\$ 3,906,875	7.33%	11,886
17									
18									
19	LIGHTING SERVICE								
20	Public or Private Area Lighting	Sect 3, 16-18	SDA24, SDB24, SDC24	3,937,907	\$ 611,640	\$ 657,807	46,167	7.55%	404
21	Street Lighting Service-Company Owned	Sect 3, 21-23	SD840	3,577,040	\$ 794,414	\$ 857,462	63,048	7.94%	20
22	Street Lighting Service-Customer Owned	Sect 3, 21-23	SD841, SD741	5,987,037	\$ 482,114	\$ 512,718	30,605	6.35%	18
23	Traffic Signals	Sect 3, 26-27	SD742	706,762	\$ 78,092	\$ 86,681	8,589	11.00%	146
24	Rental/Facilities	Sect 3, 22	SD798/SD799	-	\$ 58,943	\$ 58,943	-	0.00%	59
25	TOTAL Lighting Service			14,208,746	\$ 2,025,202	\$ 2,173,611	\$ 148,409	7.33%	647
26									
27									
28	LARGE GENERAL SERVICE & INDUSTRIAL								
29	General Service - Large (69 kV)	Sect 3, 11-13	SD771	20,550,893	\$ 1,479,881	\$ 1,580,023	100,142	6.77%	1
30	General Service - Large (Primary and Secondary)	Sect 3, 11-13	SD721, SD731	125,655,017	\$ 11,675,799	\$ 12,433,722	757,923	6.49%	108
31	General Service - Large (Optional Combined Account Billing)	Sect 3, 31-35	SD752, SD772, SD775	199,897,157	\$ 17,420,507	\$ 19,632,407	2,211,900	12.70%	150
32	Large Demand Curtailable Service	Sect 3A, 13-17	SD722	998,721	\$ 71,582	\$ 78,447	6,865	9.59%	242
33	Industrial Contract Service (69 kV)	Sect 3, 14-15	SD761	96,403,799	\$ 5,336,167	\$ 5,782,101	445,934	8.36%	1
34	Forest Products Service - Primary	Sect 3, 36-38	SD764, SD774	74,131,937	\$ 4,941,885	\$ 5,398,335	456,450	9.24%	2
35	Forest Products Service - Secondary	Sect 3, 36-38	SD765	11,054,048	\$ 898,866	\$ 967,759	68,894	7.66%	1
36	TOTAL Large General Service & Industrial			528,691,572	\$ 41,824,686	\$ 45,872,794	\$ 4,048,108	9.68%	505
37									
38									
39	TOTAL SOUTH DAKOTA REVENUE FROM SALES			1,477,426,994	\$ 157,701,886	\$ 172,342,044	\$ 14,640,159	9.28%	65,487

004300

BLACK HILLS POWER, INC.
Comparison of Rates
With Other Rates for Similar Service

Section 3
Page 2 of 3

Black Hills Power, Inc. provides similar retail electric service to customers located in Wyoming and Montana. The rates charged for retail electric service in Wyoming and Montana are not directly comparable with existing South Dakota retail rates because of differing rate Schedules and blocks. In addition, the proposed South Dakota retail rates are not comparable with existing Wyoming and Montana rates because they reflect the cost of providing electric service for different test years. The proposed South Dakota rates reflect the adjusted cost of providing service for the year ended September 30, 2013.

BLACK HILLS POWER, INC.
REPORT OF TARIFF SCHEDULE CHANGE

Section 3
Page 3 of 3

<u>Item Requested</u>	<u>Response</u>
1. Name and address of the public utility;	Black Hills Power, Inc. PO Box 1400 Rapid City, SD 57709-1400
2. Section and sheet number of tariff schedule;	Included in Volume 1, Section 3, page 1 of the Application
3. Description of the change;	Described in Testimony of Vance Crocker
4. Reasons for the change;	a.) Increase in Cost of Service for Cheyenne Prairie Generating Station b.) Costs associated with Winter Storm Atlas
5. Present rates;	Included in Volume 1, Section 2 of the Application
6. Proposed rates;	Included in Section 4, Schedule I-1, page 1, of the Application
7. Proposed effective date of modified rates;	October 1, 2014
8. Approximation of annual amount of increase in revenue;	Included in Section 4, Schedule I-1, page 1 of the Application
9. Points affected;	All points of service located in South Dakota
10. Estimate of the number of customers whose cost of service will be affected and annual amounts of increase in cost of service to those customers;	65,500 customers; see Section 4, Schedule I-1, page 1 of the Application and see testimony of Vance Crocker
11. Statement of facts, expert opinions, documents, and exhibits to support the proposed changes.	Included in Volumes 1 and 2 of the Application

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section A

20:10:13:51. Statement A -- Balance Sheet. Statement A shall include balance sheets in the form prescribed in the FERC's uniform systems of accounts for public utilities and licensees or for gas companies, 18 C.F.R. 101 (April 1, 1985), and in any other form if ordered by the commission. They shall be as of the beginning and end of the test period and the most recently available balance sheet containing any applicable footnotes.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
ASSETS AND OTHER DEBITS
For the Test Year Ended September 30, 2013

Statement A
Page 1 of 29

Line No.	Description	FERC Acct. #	(a) September 30, 2013 (Test Year)	(b) As of September 30, 2012
1	Utility Plant			
2	Electric Plant in Service	101	\$ 986,835,716	\$ 961,000,020
3	Completed Construction Not Classified	106	6,475,284	14,722,625
4	Construction Work in Progress	107	57,271,302	8,488,508
5	Other-Utility Property	118	<u>25,337,135</u>	<u>25,113,061</u>
6				
7	Gross Utility Plant		1,075,919,437	1,009,324,214
8	Accum. Prov. for Depreciation	108	(349,622,677)	(332,092,226)
9	Elec. Plant Acquisition Adjustment	114	4,870,308	4,870,308
10	Accum. Prov. for Amort. of Acq. Adj.	115	(3,204,984)	(3,107,577)
11	Res. for Depr. Other Utility Property	119	<u>(16,648,968)</u>	<u>(17,470,510)</u>
12	Total Utility Plant		711,313,116	661,524,209
13				
14	Non-Utility Property	121	-	5,618
15	Res. for Depr Non-Utility Property	122	<u>-</u>	<u>(3,956)</u>
16	Net Non-Utility Property		-	1,662
17	L/T Notes Receivable	124	38,897	51,607
18	Other Investments	128	<u>4,402,979</u>	<u>4,331,235</u>
19	Total Other Property & Investments		4,441,876	4,384,504
20				
21	Current and Accrued Assets			
22	Cash	131	3,747,159	2,694,924
23	Working Funds	135	4,175	4,175
24	Notes and Accts. Receivables - Net	141-145; 173	242,310,400	41,765,245
25	Accts. Rec. Assoc. Company	146	4,989,118	5,196,864
26	Fuel Stocks	151	5,838,257	6,400,519
27	Materials and Supplies	154-163	15,268,105	14,729,394
28	Prepayments	165	3,826,507	2,812,158
29	Other Current Assets	176	-	-
30	Short Term Def. Tax	190	<u>4,421,996</u>	<u>1,612,963</u>
31	Total Current & Accrued Assets		280,405,717	75,216,242
32				
33	Deferred Debits			
34	Unamortized Debt Expense	181	2,844,868	2,969,056
35	Preliminary Survey	183	2,889,284	653,168
36	Miscellaneous Debits	184, 186	1,014,731	2,028,656
37	Other Regulatory Assets	182	52,025,724	51,540,185
38	Unamortized Loss on Required Debt	189	2,317,825	2,561,452
39	Deferred Income Tax	190	<u>22,247,226</u>	<u>44,104,165</u>
40	Total Deferred Debits		83,339,658	103,856,682
41				
42	Total Assets and Other Debits		<u>\$ 1,079,500,367</u>	<u>\$ 844,981,637</u>

43
44 Note: The September 2013 FERC Form 3Q, Quarterly Financial Report including footnotes, was filed with the
45 Federal Energy Regulatory Commission and is the most recently filed financial statement prescribed in the
46 FERC's uniform system of accounts. Black Hills Power 10Q as of September 30, 2013, prepared on a
47 Generally Accepted Accounting Principle basis, was filed with the Securities and Exchange Commission in
48 November 2013. Both filings are publicly available.

BLACK HILLS POWER, INC.
LIABILITIES AND OTHER CREDITS
For the Test Year Ended September 30, 2013

Statement A
Page 2 of 29

Line No.	Description	FERC Acct. #	(a) September 30, 2013 (Test Year)	(b) As of September 30, 2012
1	Proprietary Capital			
2	Common Stock Issued	201	\$ 23,416,396	\$ 23,416,396
3	Premium on Capital stock	207	42,076,811	42,076,811
4	Capital Stock Expense	214	(2,501,882)	(2,501,882)
5	Unapprop. Retained Earnings	216	271,419,376	251,729,059
6	Other Comprehensive Income	219	<u>(1,356,399)</u>	<u>(1,258,759)</u>
7	Total Proprietary Capital		333,054,302	313,461,625
8				
9	Long Term Debt			
10	Bonds	221	255,000,000	255,000,000
11	Other Long Term Debt	224	15,055,000	15,055,000
12	Unamort. Discount on Long Term Debt	226	<u>(107,985)</u>	<u>12,075</u>
13	Total Long Term Debt		269,947,015	270,067,075
14				
15	Current & Accrued Liability			
16	Accounts Payable	228, 229, 232	22,406,136	9,359,189
16a	Notes Payable Associated Company	233	192,564,778	
17	Accts. Payable Associated Company	234	16,998,582	15,438,012
18	Customer Deposits	235	948,645	948,940
19	Taxes Accrued	236	4,303,933	3,954,713
20	Interest Accrued	237	5,642,152	5,671,665
21	Tax Collections Payable	241	784,600	707,266
22	Misc. Current & Accrued Liab.	242	<u>4,581,177</u>	<u>5,213,849</u>
23	Total Current & Accrued Liability		248,230,003	41,293,634
24				
25	Deferred Credits			
26	Customer Advance for Construction	252	1,193,758	1,482,978
27	Other Deferred Credits	253	27,334,204	27,191,137
28	Acc. Deferred Inv. Tax Credits	254-255	18,660,731	16,614,595
29	Acc. Deferred Income Taxes - Property	282	161,337,807	155,776,454
30	Acc. Deferred Income Taxes - Other	283	<u>19,742,547</u>	<u>19,094,139</u>
31	Total Deferred Credits		228,269,047	220,159,303
32				
33	Total Liabilities & Other Credits		<u>\$ 1,079,500,367</u>	<u>\$ 844,981,637</u>

35 Note: The September 2013 FERC Form 3Q, Quarterly Financial Report including footnotes, was filed with
36 the Federal Energy Regulatory Commission and is the most recently filed financial statement prescribed in
37 the FERC's uniform system of accounts. Black Hills Power 10Q as of September 30, 2013, prepared on a
38 Generally Accepted Accounting Principle basis, was filed with the Securities and Exchange Commission in
39 November 2013. Both filings are publicly available.

Name of Respondent Black Hills Power, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 11	Year/Period of Report End of 2013/Q3
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However where material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	2013/Q3
NOTES TO FINANCIAL STATEMENTS (Continued)			

There have been no significant changes to the footnotes included in the Form-1 dated December 31, 2012

Name of Respondent Black Hills Power, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report //	Year/Period of Report End of 2012/Q4
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FORM 304

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
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8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	11	2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

NOTES TO FINANCIAL STATEMENTS
December 31, 2012, 2011 and 2010

(1) BUSINESS DESCRIPTION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Description

Black Hills Power, Inc. (the Company, "we," "us" or "our") is an electric utility serving customers in South Dakota, Wyoming and Montana. We are a wholly-owned subsidiary of BHC or the Parent, a public registrant listed on the New York Stock Exchange.

Basis of Presentation

The financial statements include the accounts of Black Hills Power, Inc. and also our ownership interests in the assets, liabilities and expenses of our jointly owned facilities (Note 4).

The financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Additionally, these requirements differ from GAAP related to the presentation of certain items including deferred income taxes, and cost of removal liabilities. The Company's notes to the financial statements are prepared in conformity with GAAP. Accordingly, certain footnotes are not reflective of the Company's FERC basis financial statements contained herein.

Use of Estimates and Basis of Presentation

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Regulatory Accounting

Our regulated electric operations are subject to regulation by various state and federal agencies. The accounting policies followed are generally subject to the Uniform System of Accounts of FERC.

Our regulated utility operations follow accounting standards for regulated operations and our financial statements reflect the effects of the different rate making principles followed by the various jurisdictions regulating our electric operations. If rate recovery becomes unlikely or uncertain due to competition or regulatory action, these accounting standards may no longer apply to our regulated operations. In the event we determine that we no longer meet the criteria for following accounting standards for regulated operations, the accounting impact to us could be an extraordinary non-cash charge to operations in an amount that could be material.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Regulatory assets are included in Regulatory assets, current and Regulatory assets, non-current on the accompanying Balance Sheets. Regulatory liabilities are included in Regulatory liabilities, current and Regulatory liabilities, non-current on the accompanying Balance Sheets.

We had the following regulatory assets and liabilities as follows as of December 31 (in thousands):

	Maximum Recovery Period (in years)	2012	2011
Regulatory assets:			
Unamortized loss on reacquired debt ^(a)	14	\$ 2,501	\$ 2,765
AFUDC ^(b)	45	8,460	8,552
Employee benefit plans ^(c)	13	27,001	27,602
Deferred energy costs ^(a)	1	6,892	6,605
Flow through accounting ^(a)	35	8,019	5,789
Other ^(a)	2	369	452
Total regulatory assets		\$ 53,242	\$ 51,765
Regulatory liabilities:			
Cost of removal for utility plant ^(a)	53	\$ 26,630	\$ 23,347
Employee benefit plans ^(d)	13	15,689	15,282
Other ^(e)	13	1,567	1,845
Total regulatory liabilities		\$ 43,886	\$ 40,474

- (a) Recovery of costs but not allowed a rate of return.
- (b) In addition to recovery of costs, we are allowed a rate of return.
- (c) In addition to recovery of costs, we are allowed a return on approximately \$23.5 million.
- (d) Approximately \$13.2 million is included in our rate base calculation as a reduction to rate base.
- (e) Approximately \$0.8 million is included in our rate base calculation as a reduction to rate base.

Regulatory assets represent items we expect to recover from customers through probable future rates.

Unamortized Loss on Reacquired Debt - The early redemption premium on reacquired bonds is being amortized over the remaining term of the original bonds.

AFUDC - The equity component of AFUDC is considered a permanent difference for tax purposes with the tax benefit being flowed through to customers as prescribed or allowed by regulators. If, based on a regulator's action, it is probable the utility will recover the future increase in taxes payable represented by this flow-through treatment through a rate revenue increase, a regulatory asset is recognized. This regulatory asset itself is a temporary difference for which a deferred tax liability must be recognized. Accounting standards for income taxes specifically address AFUDC-equity, and require a gross-up of such amounts to reflect the revenue requirement associated with a rate-regulated environment.

Employee Benefit Plans - Employee benefit plans include the unrecognized prior service costs and net actuarial loss associated with our defined benefit pension plans and post-retirement benefit plans in regulatory assets rather than in accumulated other comprehensive income.

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Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Deferred Energy Costs - Deferred energy and fuel cost adjustments represent the cost of electricity delivered to our utility customers that are either higher or lower than the current rates and will be recovered or refunded in future rates. Deferred energy and fuel cost adjustments are recorded and recovered or amortized as approved by the appropriate state commission.

Flow-Through Accounting - Under flow-through accounting, the income tax effects of certain tax items are reflected in our cost of service for the customer in the year in which the tax benefits are realized and result in lower utility rates. This regulatory treatment was applied to the tax benefit generated by repair costs that were previously capitalized for tax purposes in a rate case settlement that was reached in 2010. In this instance, the agreed upon rate increase was less than it would have been absent the flow-through treatment. A regulatory asset established to reflect the future increases in income taxes payable will be recovered from customers as the temporary differences reverse.

Regulatory liabilities represent items we expect to refund to customers through probable future decreases in rates.

Cost of Removal for Utility Plant - Cost of removal for utility plant represents the estimated cumulative net provisions for future removal costs included in depreciation expense for which there is no legal obligation for removal.

Employee Benefit Plans - Employee benefit plans represent the cumulative excess of pension and retiree healthcare costs recovered in rates over pension expense recorded in accordance with accounting standards for compensation - retirement benefits. In addition, this regulatory liability includes the income tax effect of the adjustment required under accounting for compensation - defined benefit plans, to record the full pension and post-retirement benefit obligations. Such income tax effect has been grossed-up to account for the revenue requirement aspect of a rate regulated environment.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable consist of sales to residential, commercial, industrial, municipal and other customers all of which do not bear interest. These accounts receivable are stated at billed and unbilled amounts net of write-offs or payment received.

We maintain an allowance for doubtful accounts which reflects our best estimate of uncollectible trade receivables. We regularly review our trade receivable allowances by considering such factors as historical experience, credit worthiness, the age of the receivable balances and current economic conditions that may affect collectibility. The allowance is calculated by applying estimated write-off factors to various classes of outstanding receivables, including unbilled revenue. The write-off factors used to estimate uncollectible accounts are based upon consideration of both historical collections experience and management's best estimate of future collection success given the existing collections environment.

Following is a summary of accounts receivable at December 31 (in thousands):

	2012	2011
Accounts receivable trade	\$ 14,965	\$ 16,447
Unbilled revenues	9,004	8,364
Total accounts receivable - customers	23,969	24,811
Allowance for doubtful accounts	(102)	(143)
Net accounts receivable	<u>\$ 23,867</u>	<u>\$ 24,668</u>

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Revenue Recognition

Revenue is recognized when there is persuasive evidence of an arrangement with a fixed or determinable price, delivery has occurred or services have been rendered, and collectibility is reasonably assured. Taxes collected from our customers are recorded on a net basis (excluded from Revenue).

Utility revenues are based on authorized rates approved by the state regulatory agencies and the FERC. Revenues related to the sale, transmission and distribution of energy, and delivery of service are generally recorded when service is rendered or energy is delivered to customers. To the extent that deliveries have occurred but a bill has not been issued, we accrue an estimate of the revenue since the latest billing. This estimate is calculated based upon several factors including billings through the last billing cycle in a month, and prices in effect in our jurisdictions. Each month the estimated unbilled revenue amounts are trued-up and recorded in Receivables-customers, net on the accompanying Balance Sheets.

Materials, Supplies and Fuel

Materials, supplies and fuel used for construction, operation and maintenance purposes are generally stated on a weighted-average cost basis.

Deferred Financing Costs

Deferred financing costs are amortized using the effective interest method over the term of the related debt.

Property, Plant and Equipment

Additions to property, plant and equipment are recorded at cost when placed in service. Included in the cost of regulated construction projects is AFUDC, which represents the approximate composite cost of borrowed funds and a return on equity used to finance a regulated utility project. The cost of regulated electric property, plant and equipment retired, or otherwise disposed of in the ordinary course of business, less salvage, is charged to accumulated depreciation. Removal costs associated with non-legal obligations are reclassified from accumulated depreciation and reflected as regulatory liabilities. Ordinary repairs and maintenance of property, except as allowed under rate regulations, are charged to operations as incurred.

Depreciation provisions for regulated electric property, plant and equipment are computed on a straight-line basis using an annual composite rate of 2.2% in 2012, 2.2% in 2011 and 2.2% in 2010.

Derivatives and Hedging Activities

From time to time we utilize risk management contracts including forward purchases and sales to hedge the price of fuel for our combustion turbines and fixed-for-float swaps to fix the interest on any variable rate debt. Contracts that qualify as derivatives under accounting standards for derivatives, and that are not exempted such as normal purchase/normal sale, are required to be recorded in the balance sheet as either an asset or liability, measured at its fair value. Accounting standards for derivatives require that changes in the derivative instrument's fair value be recognized currently in earnings unless specific hedge accounting criteria are met.

Accounting standards for derivatives allow hedge accounting for qualifying fair value and cash flow hedges. Gain or loss on a derivative instrument designated and qualifying as a fair value hedging instrument as well as the offsetting loss or gain on the hedged item attributable to the hedged risk should be recognized currently in earnings in the same accounting period. Conversely, the effective portion of the gain or loss on a derivative instrument designated and qualifying as a cash flow hedging instrument should be reported as a component of other comprehensive income and be reclassified into earnings or as a regulatory asset or regulatory liability, net of tax, in the same period or periods during which the hedged forecasted transaction affects earnings. The remaining gain or loss on the derivative instrument, if any, is recognized currently in earnings.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Fair Value Measurements

Accounting standards for fair value measurements provide a single definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and also requires disclosures and establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

Level 1 - Unadjusted quoted prices available in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2 - Pricing inputs include quoted prices for identical or similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Pricing inputs include significant inputs that are generally less observable from objective sources.

Impairment of Long-Lived Assets

We periodically evaluate whether events and circumstances have occurred which may affect the estimated useful life or the recoverability of the remaining balance of our long-lived assets. If such events or circumstances were to indicate that the carrying amount of these assets was not recoverable, we would estimate the future cash flows expected to result from the use of the assets and their eventual disposition. If the sum of the expected future cash flows (undiscounted and without interest charges) was less than the carrying amount of the long-lived assets, we would recognize an impairment loss.

Income Taxes

We file a federal income tax return with other members of the Parent's consolidated group. For financial statement purposes, federal income taxes are allocated to the individual companies based on amounts calculated on a separate return basis.

We use the liability method in accounting for income taxes. Under the liability method, deferred income taxes are recognized at currently enacted income tax rates, to reflect the tax effect of temporary differences between the financial and tax basis of assets and liabilities, as well as operating loss and tax credit carryforwards. Such temporary differences are the result of provisions in the income tax law that either require or permit certain items to be reported on the income tax return in a different period than they are reported in the financial statements. We classify deferred tax assets and liabilities into current and non-current amounts based on the classification of the related assets and liabilities.

It is the Parent's policy to apply the flow-through method of accounting for investment tax credits. Under the flow-through method, investment tax credits are reflected in net income as a reduction to income tax expense in the year they qualify. Another acceptable accounting method and an exception to this general policy is to apply the deferral method whereby the credit is amortized as a reduction of income tax expense over the useful lives of the related property which gave rise to the credits.

We recognize interest income or interest expense and penalties related to income tax matters in Income tax (expense) benefit on the Statements of Income. We account for uncertainty in income taxes recognized in the financial statements in accordance with accounting standards for income taxes. The unrecognized tax benefit is classified in Other - non-current liabilities on the accompanying Balance Sheets. See Note 7 for additional information.

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Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(2) RECENTLY ADOPTED AND RECENTLY ISSUED ACCOUNTING STANDARDS

Recently Adopted Accounting Standards

Other Comprehensive Income: Presentation of Comprehensive Income, ASU 2011-05 and Deferral of the Effective Date for Amendments to the Presentation of Reclassification of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update 2011-05 and ASU 2011-12

FASB issued an accounting standards update amending ASC 220 to improve the comparability, consistency and transparency of reporting of comprehensive income. It amends existing guidance by allowing only two options for presenting the components of net income and other comprehensive income: (1) in a single continuous financial statement, statement of comprehensive income or (2) in two separate but consecutive financial statements, consisting of an income statement followed by a separate statement of other comprehensive income. Also, items that are reclassified from other comprehensive income to net income must be presented on the face of the financial statements. ASU No. 2011-05 requires retrospective application, and it is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011, with early adoption permitted. In December 2011, FASB issued ASU 2011-12. ASU 2011-12 indefinitely deferred the provisions of ASU 2011-05 requiring the presentation of reclassification adjustments for items reclassified from other comprehensive income to net income be presented on the face of the financial statements. Ultimately FASB chose not to reinstate the reclassification adjustment requirements in ASU 2011-05 but instead issued ASU 2013-02 in February 2013.

We have elected to early adopt the provisions of ASU 2011-05 as amended by ASU 2011-12. The adoption changed the presentation of certain financial statements and provided additional details in notes to the financial statements, but did not have any other impact on our financial statements. See the accompanying Comprehensive Income Statement and additional disclosures in Note 8.

Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements, ASU 2011-04

In May 2011, FASB issued an accounting standards update amending ASC 820, Fair Value Measurements and Disclosures, to achieve common fair value measurement and disclosure requirements between GAAP and IFRS. Additional disclosure requirements in the update include: (1) for Level 3 fair value measurements - quantitative information about unobservable inputs used, a description of the valuation processes used by the entity, and a qualitative discussion about the sensitivity of the measurements to changes in the unobservable inputs; (2) for an entity's use of a non-financial asset that is different from the asset's highest and best use - the reason for the difference; (3) for financial instruments not measured at fair value but for which disclosure of fair value is required - the fair value hierarchy level in which the fair value measurements were determined; and (4) the disclosure of all transfers between Level 1 and Level 2 of the fair value hierarchy. ASU 2011-04 is effective for fiscal years, and interim periods within those years, beginning after December 31, 2011. The amendment required additional details in notes to financial statements, but did not have any other impact on our financial statements. The additional disclosures are included in Note 9.

Recently Issued Accounting Pronouncements and Legislation

Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income, ASU 2013-02

In February 2013, the FASB issued new disclosure requirements for items reclassified out of AOCI to expand the disclosure requirements in ASC 220, Comprehensive Income, for presentation of changes in AOCI. ASU 2013-02 requires disclosure of (1) changes in components of other comprehensive income, (2) for items reclassified out of AOCI and into net income in their entirety, the effect of the reclassification on each affected net income line item and (3) cross references to other disclosures that provide additional detail for components of other comprehensive income that are not reclassified in their entirety to net income. Disclosures are required either on the face of the statements of income or as a separate disclosure in the notes to the financial statements. The new disclosure requirements are effective for interim and annual periods beginning after December 15, 2012. The adoption of this standard will not have an impact on our financial position, results of operations or cash flows.

Name of Respondent Black Hills Power, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(3) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at December 31 consisted of the following (dollars in thousands):

	2012		2011		Lives (in years)	
	2012	Weighted Average Useful Life (in years)	2011	Weighted Average Useful Life (in years)	Minimum	Maximum
Electric plant:						
Production	\$ 510,674	51	\$ 504,088	51	45	65
Transmission	115,092	46	115,063	47	40	60
Distribution	304,113	38	289,833	39	16	45
Plant acquisition adjustment (a)	4,870	32	4,870	32	32	32
General	71,802	22	72,045	21	8	45
Construction work in progress	18,217		9,873			
Total electric plant	1,024,768		995,772			
Less accumulated depreciation and amortization	(322,830)		(313,581)			
Electric plant net of accumulated depreciation and amortization	\$ 701,938		\$ 682,191			

(a) The plant acquisition adjustment is included in rate base and is being recovered with 18 years remaining.

(4) JOINTLY OWNED FACILITIES

We use the proportionate consolidation method to account for our percentage interest in the assets, liabilities and expenses of the following facilities:

- We own a 20% interest in the Wyodak Plant (the "Plant"), a coal-fired electric generating station located in Campbell County, Wyoming. PacifiCorp owns the remaining ownership percentage and is the operator of the Plant. We receive our proportionate share of the Plant's capacity and are committed to pay our share of its additions, replacements and operating and maintenance expenses.
- We own a 35% interest in, and are the operator of, the Converter Station Site and South Rapid City Interconnection (the transmission tie), an AC-DC-AC transmission tie. Basin Electric owns the remaining ownership percentage. The transmission tie provides an interconnection between the Western and Eastern transmission grids, which provides us with access to both the WECC region and the MAPP region. The total transfer capacity of the transmission tie is 400 MW - 200 MW West to East and 200 MW from East to West. We are committed to pay our proportionate share of the additions, replacements and operating and maintenance expenses.
- We own a 52% interest in the Wygen III power plant. MDU and the City of Gillette each owns an undivided ownership interest in Wygen III and are obligated to make payments for costs associated with administrative services and a proportionate share of the costs of operating the plant for the life of the facility. We retain responsibility for plant operations.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

The investments in our jointly owned plants and accumulated depreciation are included in the corresponding captions in the accompanying Balance Sheets. Our share of direct expenses of the Plant is included in the corresponding categories of operating expenses in the accompanying Statements of Income. Each of the respective owners is responsible for providing its own financing.

As of December 31, 2012, our interests in jointly-owned generating facilities and transmission systems included on our Balance Sheets were as follows (in thousands):

Interest in jointly-owned facilities	Plant in Service	Construction Work in Progress	Accumulated Depreciation
Wyodak Plant	\$ 109,465	\$ 451	\$ 47,776
Transmission Tie	\$ 19,648	\$ —	\$ 4,414
Wygen III	\$ 130,267	\$ 565	\$ 8,376

(5) LONG-TERM DEBT

Long-term debt outstanding at December 31 was as follows (in thousands):

	Maturity Date	Interest Rate	2012	2011
First Mortgage Bonds due 2032	August 15, 2032	7.23%	\$ 75,000	\$ 75,000
First Mortgage Bonds due 2039	November 1, 2039	6.125%	180,000	180,000
Unamortized discount, First Mortgage Bonds due 2039			(111)	(115)
Pollution control revenue bonds due 2014 ^(a)	October 1, 2014	4.80%	—	6,450
Pollution control revenue bonds due 2024	October 1, 2024	5.35%	12,200	12,200
Series 94A Debt ^(b)	June 1, 2024	1.35%	2,855	2,855
Other	May 25, 2012	13.66%	—	37
Total long-term debt			269,944	276,427
Less current maturities			—	(37)
Net long-term debt			\$ 269,944	\$ 276,390

(a) On May 15, 2012 we repaid in full \$6.5 million principal and interest on the Pollution Control Revenue Bonds originally due to mature on October 1, 2014.

(b) Variable interest rate of 1.35% at December 31, 2012.

Net deferred financing costs of approximately \$2.9 million and \$3.1 million were recorded on the accompanying Balance Sheets in Other, non-current assets at December 31, 2012 and 2011, respectively, and are being amortized over the term of the debt. Amortization of deferred financing costs of approximately \$0.2 million, \$0.5 million and \$0.4 million for the years ended December 31, 2012, 2011 and 2010, respectively, are included in Interest expense on the accompanying Statements of Income.

Substantially all of our property is subject to the lien of the indenture securing our first mortgage bonds. First mortgage bonds may be issued in amounts limited by property, earnings and other provisions of the mortgage indentures. We were in compliance with our debt covenants at December 31, 2012.

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Long-term Debt Maturities

Scheduled maturities of our outstanding long-term debt (excluding unamortized discounts) are as follows (in thousands):

2013	\$	—
2014	\$	—
2015	\$	—
2016	\$	—
2017	\$	—
Thereafter	\$	270,055

(6) FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated fair values of our financial instruments at December 31 were as follows (in thousands):

	2012		2011	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Cash and cash equivalents (a)	\$ 3,805	\$ 3,805	\$ 2,812	\$ 2,812
Long-term debt, including current maturities (b)	\$ 269,944	\$ 359,567	\$ 276,427	\$ 362,055

- (a) Fair value approximates carrying value due to either short-term length of maturity or variable interest rates that approximate prevailing market rates and therefore is classified in Level 1 in the fair value hierarchy.
- (b) Long-term debt is valued using the market approach based on observable inputs of quoted market prices and yields available for debt instruments either directly or indirectly for similar maturities and debt ratings in active markets and therefore is classified in Level 2 in the fair value hierarchy. The carrying amount of our variable rate debt approximates fair value due to the variable interest rates with short reset periods. For additional information on our long-term debt, see Note 5 to the Financial Statements.

The following methods and assumptions were used to estimate the fair value of each class of our financial instruments.

Cash and Cash Equivalents

Included in cash and cash equivalents is cash and overnight repurchase agreement accounts. As part of our cash management process, excess operating cash is invested in overnight repurchase agreements with our bank. Repurchase agreements are not deposits and are not insured by the U.S. Government, the FDIC or any other government agency and involve investment risk including possible loss of principal. We believe however, that the market risk arising from holding these financial instruments is minimal.

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(7) INCOME TAXES

Income tax expense (benefit) from continuing operations for the years ended December 31 was (in thousands):

	2012	2011	2010
Current	\$ (10,319)	\$ 14,921	\$ (14,885)
Deferred	24,628	(2,931)	25,626
Total income tax expense	<u>\$ 14,309</u>	<u>\$ 11,990</u>	<u>\$ 10,741</u>

The temporary differences which gave rise to the net deferred tax liability, for the years ended December 31 were as follows (in thousands):

	2012	2011
Deferred tax assets:		
Employee benefits	\$ 5,094	\$ 5,008
Net operating loss	10,441	28,072
Regulatory liabilities	13,433	14,644
Other	2,381	3,049
Valuation allowance	—	—
Total deferred tax assets	<u>31,349</u>	<u>50,773</u>
Deferred tax liabilities:		
Accelerated depreciation and other plant related differences	(154,989)	(148,254)
AFUDC	(5,499)	(5,559)
Regulatory assets	(5,767)	(5,019)
Employee benefits	(3,610)	(2,356)
Other	(3,771)	(3,753)
Total deferred tax liabilities	<u>(173,636)</u>	<u>(164,941)</u>
Net deferred tax assets (liabilities)	<u>\$ (142,287)</u>	<u>\$ (114,168)</u>

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The effective tax rate differs from the federal statutory rate for the years ended December 31, as follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Federal statutory rate	35.0%	35.0%	35.0%
Amortization of excess deferred and investment tax credits	(0.3)	(0.4)	(0.6)
Equity AFUDC	(0.1)	(0.6)	(2.0)
Flow through adjustments *	(3.5)	(3.4)	(7.4)
Prior year deferred adjustment	3.6	—	—
Other	(0.1)	0.1	0.6
	34.6%	30.7%	25.6%

* The flow-through adjustments relate primarily to an accounting method change for tax purposes that was filed with the 2008 tax return and for which consent was received from the IRS in September 2009. The effect of the change allows us to take a current tax deduction for repair costs that were previously capitalized for tax purposes. These costs will continue to be capitalized for book purposes. We recorded a deferred income tax liability in recognition of the temporary difference created between book and tax treatment and we flowed the tax benefit through to our customers in the form of lower rates as a result of a rate case settlement that occurred during 2010. A regulatory asset was established to reflect the recovery of future increases in taxes payable from customers as the temporary differences reverse. Due to this regulatory treatment, we recorded an income tax benefit in 2010 that was attributable to the 2008 through 2010 tax years. We continue to record a tax benefit consistent with the flow through method in accordance with such regulatory treatment.

The following table reconciles the total amounts of unrecognized tax benefits at the beginning and end of the period (in thousands):

	<u>2012</u>	<u>2011</u>
Unrecognized tax benefits at January 1	\$ 3,595	\$ 3,094
Additions for prior year tax positions	—	795
Reductions for prior year tax positions	(1,586)	(294)
Additions for current year tax positions	69	—
Unrecognized tax benefits at December 31	\$ 2,078	\$ 3,595

The reductions for prior year tax positions relate to the reversal attributable to otherwise allowed tax depreciation. The total amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate is approximately \$0.7 million. The unrecognized tax benefit is classified in Other, non-current liabilities on the accompanying Balance Sheets.

During the year ended December 31, 2012 and 2011, the interest expense recognized related to income tax matters was not material to our financial results.

We do not anticipate that total unrecognized tax benefits will significantly change due to the settlement of any audits or the expiration of statutes of limitations prior to December 31, 2013.

At December 31, 2012, we have federal NOL carry forward of \$30.5 million, expiring in 2031. Ultimate usage of this NOL depends upon our ability to generate future taxable income, which is expected to occur within the prescribed carryforward period.

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(8) ACCUMULATED OTHER COMPREHENSIVE INCOME

Balances by classification included within Accumulated other comprehensive loss on the accompanying Balance Sheets were as follows (in thousands):

	Derivatives Designated as Cash Flow Hedges	Employee Benefit Plans	Total
As of December 31, 2011	\$ (801)	\$ (489)	\$ (1,290)
Other comprehensive income (loss)	41	(171)	(130)
As of December 31, 2012	\$ (760)	\$ (660)	\$ (1,420)
As of December 31, 2010	\$ (843)	\$ (419)	\$ (1,262)
Other comprehensive income (loss)	42	(70)	(28)
As of December 31, 2011	\$ (801)	\$ (489)	\$ (1,290)

Derivatives designated as cash flow hedges relate to a treasury lock entered into in August 2002 to hedge a portion of the \$75.0 million First Mortgage Bonds due on August 15, 2032. The treasury lock cash settled on August 8, 2002, the bond pricing date, and resulted in a \$1.8 million loss. The treasury lock is treated as a cash flow hedge and the resulting loss is carried in Accumulated Other Comprehensive Loss and is being amortized over the life of the related bonds.

(9) EMPLOYEE BENEFIT PLANS

Funded Status of Benefit Plans

The funded status of the postretirement benefit plan is required to be recognized in the statement of financial position. The funded status for the pension plan is measured as the difference between the projected benefit obligation and the fair value of plan assets. The funded status for all other benefit plans is measured as the difference between the accumulated benefit obligation and the fair value of plan assets. A liability is recorded for an amount by which the benefit obligation exceeds the fair value of plan assets or an asset is recorded for any amount by which the fair value of plan assets exceeds the benefit obligation. The measurement date of the plans is December 31, our year-end balance sheet date. As of December 31, 2012, the funded status of our Defined Benefit Pension Plan was \$(16.4) million, the funded status of our Supplemental Non-qualified Defined Benefit Plans was \$(3.4) million and the funded status of our Non-pension Defined Benefit Postretirement Healthcare Plans was \$(6.8) million.

We apply accounting standards for regulated operations, and accordingly, the unrecognized net periodic benefit cost that would have been reclassified to Accumulated other comprehensive income (loss) was alternatively recorded as a regulatory asset or regulatory liability, net of tax.

Defined Benefit Pension Plan

We have a noncontributory defined benefit pension plan ("Pension Plan") covering employees who meet certain eligibility requirements. The benefits are based on years of service and compensation levels during the highest five consecutive years of the last ten years of service. Our funding policy is in accordance with the federal government's funding requirements. The Pension Plan's assets are held in trust and consist primarily of equity and fixed income investments.

The Pension Plan has been frozen to new employees and certain employees who did not meet age and service based criteria at the time the Plan was frozen. Plan benefits are based on years of service and calculations of average earnings during a specific time period prior to retirement.

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On October 29, 2012, the Board of Directors approved a new Investment Policy. The objective of the Investment Policy is to manage assets in such a way that will allow the eventual settlement of our obligations to the Plans' beneficiaries. To meet this objective, our pension plan assets are managed by an outside adviser using a structured portfolio strategy that will provide liquidity to meet the Plans' benefit payment obligations and an asset allocation that will comprise a mix of return-seeking and liability-hedging assets. Our Pension Plan funding policy is in accordance with the federal government's funding requirements. The Pension Plan's assets are held in trust and consist primarily of equity and fixed income investments. The expected long-term rate of return for investments was 7.25% and 8.75% for the 2012 and 2011 plan years, respectively.

Pension Plan Assets

The percentages of total plan asset fair value by investment category of our Pension Plan assets at December 31 were as follows:

	<u>2012</u>	<u>2011</u>
Equity securities	51%	69%
Fixed income funds	48%	28%
Cash and cash equivalents	1%	3%
Total	<u>100%</u>	<u>100%</u>

Supplemental Non-qualified Defined Benefit Retirement Plans

We have various supplemental retirement plans ("Supplemental Plans") for key executives. The Supplemental Plans are non-qualified defined benefit plans. The Supplemental Plans are subject to various vesting schedules.

Supplemental Plan Assets

We do not fund our Supplemental Plans. We fund on a cash basis as benefits are paid.

Non-pension Defined Benefit Postretirement Healthcare Plan

Employees who are participants in our Non-Pension Postretirement Healthcare Plan ("Healthcare Plan") and who retire on or after attaining minimum age and years of service requirements are entitled to postretirement healthcare benefits. These benefits are subject to premiums, deductibles, co-payment provisions and other limitations. We may amend or change the Healthcare Plan periodically. We are not pre-funding our retiree medical plan. We have determined that the Healthcare Plan's post-65 retiree prescription drug plans are actuarially equivalent and qualify for the Medicare Part D subsidy.

Plan Assets

We do not fund our Healthcare Plans. We fund on a cash basis as benefits are paid.

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Plan Contributions and Estimated Cash Flows

Contributions made to the Pension Plans are cash contributions made directly to the Pension Plan Trust accounts. Healthcare and Supplemental Plan contributions are made in the form of benefit payments. Contributions for the years ended December 31 were as follows (in thousands):

	2012	2011
<u>Defined Benefit Plans</u>		
Defined Benefit Pension Plan	\$ 6,835	\$ —
Non-pension Defined Benefit Postretirement Healthcare Plan	\$ 835	\$ 428
Supplemental Non-qualified Defined Benefit Plan	\$ 256	\$ 130
<u>Defined Contribution Plans</u>		
Company Retirement Contribution	\$ 404	\$ 371
Matching Contributions	\$ 1,328	\$ 1,296

We expect to make a contribution of \$1.6 million to our employee defined benefit pension plan in 2013.

Fair Value Measurements

As required by accounting standards for fair value measurements, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect their placement within the fair value hierarchy levels. The following tables set forth, by level within the fair value hierarchy, the assets that were accounted for at fair value on a recurring basis as of December 31 (in thousands):

	2012			Total Fair Value
	Level 1	Level 2	Level 3	
Cash and cash equivalents	\$ 535	\$ —	\$ —	\$ 535
Common collective trust - equity	—	27,267	—	27,267
Common collective trust - fixed income	—	21,127	—	21,127
Insurance contracts	—	—	—	—
Structured products	—	4,536	—	4,536
Total investments measured at fair value	<u>\$ 535</u>	<u>\$ 52,930</u>	<u>\$ —</u>	<u>\$ 53,465</u>

	2011			Total Fair Value
	Level 1	Level 2	Level 3	
Cash and cash equivalents	\$ 40	\$ —	\$ —	\$ 40
Registered investment companies - equity	12,743	—	—	12,743
Registered investment companies - fixed income	12,603	—	—	12,603
Common collective trust - equity	—	16,143	—	16,143
Insurance contracts	—	1,288	—	1,288
Structured products	—	2,200	—	2,200
Total investments measured at fair value	<u>\$ 25,386</u>	<u>\$ 19,631</u>	<u>\$ —</u>	<u>\$ 45,017</u>

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Registered Investment Companies: Investments are valued at the closing price reported on the active market on which the individual securities are traded.

Common Collective Trust: The Pension Plan owns units of the Common Collective Trust funds that they are utilizing in their portfolio. The value of each unit of any fund as of any valuation date shall be determined by calculating the total value of such fund's assets as of the close of business on such valuation date, deducting its total liabilities as of such time and date, and then dividing the so-determined net asset value of such fund by the total number of units of such fund outstanding on the date of valuation.

Insurance Contract: These investments are valued on a cash basis on any given valuation date which approximates fair value.

Structured Products: Investments are created through the process of financial engineering (that is, by combining underlying securities like equity, bonds, or indices with derivatives). The value of derivative securities, such as options, forwards and swaps is determined by (respectively, derives from) the prices of the underlying securities.

Plan Reconciliations

The following tables provide a reconciliation of the Employee Benefit Plan's obligations and fair value of assets, components of the net periodic expense and elements of regulatory assets and liabilities and AOCI (in thousands):

Benefit Obligations

	Defined Benefit Pension Plan		Supplemental Non-qualified Defined Benefit Retirement Plans		Non-pension Defined Benefit Postretirement Healthcare Plan	
	2012	2011	2012	2011	2012	2011
Change in benefit obligation:						
Projected benefit obligation at beginning of year	\$ 65,557	\$ 57,753	\$ 2,292	\$ 2,152	\$ 8,207	\$ 7,517
Service cost	765	798	—	—	214	210
Interest cost	2,969	3,092	104	114	343	365
Actuarial loss (gain)	4,510	852	1,287	(30)	(1,748)	(308)
Amendments	—	—	—	—	—	—
Change in participant assumptions	—	—	—	—	—	171
Discount rate change	—	6,668	—	186	—	433
Benefits paid	(2,850)	(2,899)	(256)	(130)	(835)	(707)
Asset transfer (to) from affiliate	(1,131)	(707)	—	—	26	(40)
Plan curtailment reduction	—	—	—	—	—	—
Medicare Part D adjustment	—	—	—	—	71	67
Plan participants' contributions	—	—	—	—	488	499
Projected benefit obligation at end of year	\$ 69,820	\$ 65,557	\$ 3,427	\$ 2,292	\$ 6,766	\$ 8,207

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A reconciliation of the fair value of Plan assets (as of the December 31 measurement date) is as follows (in thousands):

	Defined Benefit Pension Plan		Supplemental Non-qualified Defined Benefit Retirement Plans		Non-pension Defined Benefit Postretirement Healthcare Plan	
	2012	2011	2012	2011	2012	2011
Beginning market value of plan assets	\$ 45,017	\$ 48,228	\$ —	\$ —	\$ —	\$ —
Investment income	5,240	66	—	—	—	—
Benefits paid	(2,850)	(2,899)	—	—	—	—
Employer contributions	6,835	—	—	—	—	—
Asset transfer to affiliate	(777)	(378)	—	—	—	—
Ending market value of plan assets	\$ 53,465	\$ 45,017	\$ —	\$ —	\$ —	\$ —

Amounts recognized in the Balance Sheets at December 31 consist of (in thousands):

	Defined Benefit Pension Plan		Supplemental Non-qualified Defined Benefit Retirement Plans		Non-pension Defined Benefit Postretirement Plan	
	2012	2011	2012	2011	2012	2011
Regulatory asset (liability)	\$ 26,683	\$ 27,284	\$ —	\$ —	\$ (2,174)	\$ (590)
Current (liability)	\$ —	\$ —	\$ (216)	\$ (154)	\$ (438)	\$ (658)
Non-current (liability)	\$ (16,356)	\$ (20,540)	\$ (3,211)	\$ (3,060)	\$ (6,321)	\$ (7,497)

Accumulated Benefit Obligation (dollars in thousands)

	Defined Benefit Pension Plan		Supplemental Non-qualified Defined Benefit Retirement Plans		Non-pension Defined Benefit Postretirement Healthcare Plan	
	2012	2011	2012	2011	2012	2011
Accumulated benefit obligation	\$ 63,417	\$ 59,823	\$ 3,427	\$ 2,292	\$ 6,766	\$ 8,207

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Components of Net Periodic Expense (dollars in thousands)

	Defined Benefit Pension Plan			Supplemental Non-qualified Defined Benefit Retirement Plans			Non-pension Defined Benefit Postretirement Healthcare Plan		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
Service cost	\$ 765	\$ 798	\$ 1,214	\$ —	\$ —	\$ —	\$ 214	\$ 210	\$ 340
Interest cost	2,969	3,092	3,280	104	114	100	343	365	547
Expected return on assets	(3,139)	(3,619)	(3,008)	—	—	—	—	—	—
Amortization of prior service cost (credits)	57	62	62	—	—	—	(278)	(314)	(141)
Amortization of transition obligation	—	—	—	—	—	—	—	—	171
Recognized net actuarial loss (gain)	2,599	1,486	1,378	55	48	30	139	163	—
Curtailment expense	—	—	57	—	—	—	—	—	—
Net periodic expense	\$ 3,251	\$ 1,819	\$ 2,983	\$ 159	\$ 162	\$ 130	\$ 418	\$ 424	\$ 917

Accumulated Other Comprehensive Income (Loss)

Amounts included in AOCI, after-tax, that have not yet been recognized as components of net periodic benefit cost at December 31 were as follows (in thousands):

	Defined Benefit Pension Plan		Supplemental Non-qualified Defined Benefit Retirement Plans		Non-pension Defined Benefit Postretirement Healthcare Plan	
	2012	2011	2012	2011	2012	2011
Net loss	\$ —	\$ —	\$ (660)	\$ (489)	\$ —	\$ —
Prior service cost	—	—	—	—	—	—
Total accumulated other comprehensive income (loss)	\$ —	\$ —	\$ (660)	\$ (489)	\$ —	\$ —

The amounts in AOCI, regulatory assets or regulatory liabilities, after-tax, expected to be recognized as a component of net periodic benefit cost during calendar year 2013 were as follows (in thousands):

	Defined Benefits Pension Plan		Supplemental Non-qualified Defined Benefit Retirement Plans		Non-pension Defined Benefit Postretirement Healthcare Plan	
	2012	2011	2012	2011	2012	2011
Net loss	\$ 1,696	\$ 43	\$ —	\$ —	\$ 6	\$ —
Prior service cost	27	—	—	—	(181)	—
Total net periodic benefit cost expected to be recognized during calendar year 2013	\$ 1,723	\$ 43	\$ —	\$ —	\$ (175)	\$ —

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Assumptions

	Defined Benefit Pension Plan			Supplemental Non-qualified Defined Benefit Retirement Plans			Non-pension Defined Benefit Postretirement Healthcare Plan		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
Weighted-average assumptions used to determine benefit obligations:									
Discount rate	4.35%	4.65%	5.50%	4.25%	4.70%	5.50%	3.65%	4.35%	5.00%
Rate of increase in compensation levels	3.91%	3.67%	3.70%	N/A	N/A	5.00%	N/A	N/A	N/A
Weighted-average assumptions used to determine net periodic benefit cost for plan year:									
Discount rate	4.65%	5.50%	6.05%	4.70%	5.00%	6.10%	4.35%	5.00%	5.90%
Expected long-term rate of return on assets*	7.25%	7.75%	8.00%	N/A	N/A	N/A	N/A	N/A	N/A
Rate of increase in compensation levels	3.67%	3.70%	4.25%	N/A	N/A	5.00%	N/A	N/A	N/A

* The expected rate of return on plan assets is 7.25% for the calculation of the 2013 net periodic pension cost.

The healthcare benefit obligation was determined at December 31 as follows:

	2012	2011
Healthcare trend rate pre-65		
Trend for next year	7.75%	9.01%
Ultimate trend rate	4.50%	4.50%
Year Ultimate Trend Reached	2027	2027
Healthcare trend rate post-65		
Trend for next year	6.50%	9.01%
Ultimate trend rate	4.50%	4.50%
Year Ultimate Trend Reached	2026	2027

We do not pre-fund our post-retirement benefit plan. The table below shows the estimated impacts of an increase or decrease to our healthcare trend rate for our Retiree Health Care Plan (dollars in thousands):

Change in Assumed Trend Rate	Service and Interest Costs	Accumulated Periodic Postretirement Benefit Obligation
1% increase	\$ 11	\$ 278
1% decrease	\$ (10)	\$ (250)

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The following benefit payments, which reflect future service, are expected to be paid (in thousands):

	Defined Benefit Pension Plan	Supplemental Non-qualified Defined Benefit Retirement Plans	Non-pension Defined Benefit Postretirement Healthcare Plan
2013	\$ 3,150	\$ 216	\$ 438
2014	\$ 3,227	\$ 215	\$ 489
2015	\$ 3,325	\$ 212	\$ 455
2016	\$ 3,417	\$ 181	\$ 469
2017	\$ 3,516	\$ 212	\$ 498
2018-2021	\$ 20,144	\$ 1,187	\$ 2,728

Defined Contribution Plan

The Parent sponsors a 401(k) retirement savings plan in which our employees may participate. Participants may elect to invest up to 50% of their eligible compensation on a pre-tax or after-tax basis, up to a maximum amount established by the Internal Revenue Service. The plan provides for company matching contributions and company retirement contributions. Employer contributions vest at 20% per year and are fully vested when the participant has 5 years of service.

(10) RELATED-PARTY TRANSACTIONS

Non-Cash Dividend to Parent

We have recorded a non-cash dividend to our Parent for \$44.0 million in 2012 and decreased the utility money pool note receivable, net for the amount of \$44.0 million.

Receivables and Payables

We have accounts receivable and accounts payable balances related to transactions with other BHC subsidiaries. These balances as of December 31 were as follows (in thousands):

	2012	2011
Receivable - affiliates	\$ 5,027	\$ 6,998
Accounts payable - affiliates	\$ 21,896	\$ 18,598

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Money Pool Notes Receivable and Notes Payable

We have a Utility Money Pool Agreement (the Agreement) with the Parent. Under the agreement, we may borrow from the Parent. The Agreement restricts us from loaning funds to the Parent or to any of the Parent's non-utility subsidiaries; the Agreement does not restrict us from making dividends to the Parent. Borrowings under the agreement bear interest at the daily cost of external funds as defined under the Agreement, or if there are no external funds outstanding on that date, then the rate will be the daily one month LIBOR rate plus 1%.

Advances under this notes receivable bear interest at 1.50% above the daily LIBOR rate (1.71% at December 31, 2012). We had the following balances with the Utility Money Pool as of and for the years ended December 31 (in thousands):

Utility Money Pool	2012	2011	2010
Notes receivable (payable), net	\$ 31,645	\$ 50,477	\$ 39,862
Net interest income (expense)	\$ 617	\$ 1,414	\$ 467

Other Balances and Transactions

We have the following Power Purchase and Transmission Services Agreements with affiliated entities:

- Cheyenne Light entered into a PPA with Happy Jack. Under a separate inter-company agreement expiring on September 3, 2028, Cheyenne Light has agreed to sell up to 15 MW of the facility output from Happy Jack to us.
- Cheyenne Light entered into a PPA with Silver Sage. Under a separate inter-company agreement expiring on September 30, 2029, Cheyenne Light has agreed to sell 20 MW of energy from Silver Sage to us.
- A Generation Dispatch Agreement with Cheyenne Light that requires us to purchase all of Cheyenne Light's excess energy.

We had the following related party transactions for the years ended December 31 included in the corresponding captions in the accompanying Statements of Income:

	2012	2011	2010
	(in thousands)		
<u>Revenues:</u>			
Energy sold to Cheyenne Light	\$ 2,372	\$ 957	\$ 1,200
Rent from electric properties	\$ 2,661	\$ 7,523	\$ 7,884
<u>Purchases:</u>			
Purchase of coal from WRDC	\$ 20,690	\$ 21,319	\$ 13,569
Purchase of excess energy from Cheyenne Light	\$ 3,139	\$ 4,127	\$ 4,126
Purchase of renewable wind energy from Cheyenne Light - Happy Jack	\$ 1,988	\$ 1,955	\$ 2,815
Purchase of renewable wind energy from Cheyenne Light - Silver Sage	\$ 3,269	\$ 3,281	\$ 1,723
Purchase of natural gas - other	\$ 7	\$ 647	\$ 1,652
Corporate support services from Parent, Black Hills Service Company and Black Hills Utility Holdings	\$ 24,163	\$ 18,567	\$ 17,145

Name of Respondent Black Hills Power, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(11) SUPPLEMENTAL CASH FLOW INFORMATION

Years ended December 31,	2012	2011	2010
	(in thousands)		
Non-cash investing and financing activities -			
Property, plant and equipment financed with accrued liabilities	\$ 3,969	\$ 1,882	\$ 7,188
Non-cash decrease to money pool note receivable, net	\$ (43,984)	\$ —	\$ —
Non-cash dividend to Parent company	\$ 43,984	\$ —	\$ —
Supplemental disclosure of cash flow information:			
Cash (paid) refunded during the period for -			
Interest (net of amounts capitalized)	\$ (17,099)	\$ (16,294)	\$ (19,554)
Income taxes	\$ 7,176	\$ (15,347)	\$ 15,805

(12) COMMITMENTS AND CONTINGENCIES

Partial Sale of Wygen III

On July 14, 2010, we sold a 23% ownership interest in Wygen III to the City of Gillette for \$62.0 million. The purchase terminated the then current PPA with the City of Gillette, and the Wygen III Participation Agreement has been amended to include the City of Gillette. The Participation Agreement provides that the City of Gillette will pay us for administrative services and share in the costs of operating the plant for the life of the facility. The amount of net fixed assets sold totaled \$55.8 million. We recognized a gain on the sale of \$6.2 million.

Power Purchase and Transmission Services Agreements

We have the following power purchase and transmission agreements, not including related party agreements, as of December 31, 2012 (see Note 10 for information on related party agreements):

- A PPA with PacifiCorp expiring on December 31, 2023, which provides for the purchase by us of 50 MW of electric capacity and energy. The price paid for the capacity and energy is based on the operating costs of one of PacifiCorp's coal-fired electric generating plants;
- A firm point-to-point transmission access agreement to deliver up to 50 MW of power on PacifiCorp's transmission system to wholesale customers in the western region through December 31, 2023; and
- An agreement with Thunder Creek for gas transport capacity, expiring in October 31, 2019.

Costs incurred under these agreements were as follows for the years ended December 31 (in thousands):

Contract	Contract Type	2012	2011	2010
PacifiCorp	Electric capacity and energy	\$ 13,224	\$ 12,515	\$ 12,936
PacifiCorp	Transmission access	\$ 1,215	\$ 1,215	\$ 1,215
Thunder Creek	Gas transport capacity	\$ 633	\$ 633	\$ 633

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Future Contractual Obligations

The following is a schedule of future minimum payments required under the power purchase, transmission services, facility and vehicle leases, and gas supply agreements (in thousands):

2013	\$	11,909
2014	\$	11,904
2015	\$	11,903
2016	\$	11,899
2017	\$	11,895
Thereafter	\$	30,884

Long-Term Power Sales Agreements

We have the following power sales agreements as of December 31, 2012:

- During periods of reduced production at Wygen III in which MDU owns a portion of the capacity, or during periods when Wygen III is off-line, MDU will be provided with 25 MW from our other generation facilities or from system purchases with reimbursement of costs by MDU;
- During periods of reduced production at Wygen III in which the City of Gillette owns a portion of the capacity, or during periods when Wygen III is off-line, we will provide the City of Gillette with its first 23 MW from our other generating facilities or from system purchases with reimbursement of costs by the City of Gillette. Under this agreement, Black Hills Power will also provide the City of Gillette their operating component of spinning reserves;
- An agreement under which we supply energy and capacity to MEAN expiring on May 31, 2023. This contract is unit-contingent based on up to 10 MW from our Neil Simpson II and up to 10 MW from our Wygen III plants. The energy and capacity purchase requirements decrease over the term of the agreement; and
- A PPA with MEAN, expiring on April 1, 2015. Under this contract, MEAN purchases 5 MW of unit-contingent energy and capacity from Neil Simpson II and 5 MW of unit-contingent capacity from Wygen III.

Oil Creek Fire

On June 29, 2012, a forest and grassland fire occurred in the western Black Hills. It is alleged the fire occurred when a high voltage electrical transmission line maintained by us fell to the ground, and that electrical arcing from the downed line ignited dry grass or brush. The fire burned approximately 60,000 acres of land owned by private landowners as well as the United States Bureau of Land Management and the State of Wyoming. We have received written claims from the State of Wyoming and a landowner seeking recovery of damages for alleged injury to timber, grass, fencing, fire suppression and rehabilitation costs. The total amount of damages currently claimed by the State of Wyoming and the landowners is approximately \$8 million. We have been notified that additional private landowner claims are forthcoming. Our investigation into the cause and origin of the fire is still pending. Based upon information developed in our investigation to date, we expect to deny and will vigorously defend all claims arising out of the fire. Given the uncertainty of litigation, however, a loss relating to the fire and the litigation is reasonably possible. We cannot reasonably estimate the amount of a potential loss because our investigation is ongoing, and because we expect further claims to be presented by other parties. Although we cannot predict the outcome of our investigation or the viability of potential claims, based on information currently available, management believes that any such claims, if determined adversely to us, will not have a material effect on our financial statements.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Legal Proceedings

We are subject to various legal proceedings, claims and litigation which arise in the ordinary course of operations. In the opinion of management, the amount of liability, if any, with respect to these actions would not materially affect our financial position, results of operations or cash flows.

In the normal course of business, we enter into agreements that include indemnification in favor of third parties, such as information technology agreements, purchase and sale agreements and lease contracts. We have also agreed to indemnify our directors, officers and employees in accordance with our articles of incorporation, as amended. Certain agreements do not contain any limits on our liability and therefore, it is not possible to estimate our potential liability under these indemnifications. In certain cases, we have recourse against third parties with respect to these indemnities. Further, we maintain insurance policies that may provide coverage against certain claims under these indemnities.

Environmental Matters

We are subject to costs resulting from a number of federal, state and local laws and regulations which affect future planning and existing operations. They can result in increased capital expenditures, operating and other costs as a result of compliance, remediation and monitoring obligations. Due to the environmental issues discussed below, we may be required to modify, curtail, replace or cease operating certain facilities or operations to comply with statutes, regulations and other requirements of regulatory bodies.

Air

Our generation facilities are subject to federal, state and local laws and regulations relating to the protection of air quality. These laws and regulations cover, among other pollutants, carbon monoxide, SO₂, NO_x, mercury particulate matter and GHG. Power generating facilities burning fossil fuels emit each of the foregoing pollutants and, therefore, are subject to substantial regulation and enforcement oversight by various governmental agencies.

Title IV of the Clean Air Act applies to several of our generation facilities, including the Neil Simpson II, Neil Simpson CT II, Lange CT, Wygen III and Wyodak plants. Title IV of the Clean Air Act created an SO₂ allowance trading program as part of the federal acid rain program. Without purchasing additional allowances, we currently hold sufficient allowances to satisfy Title IV at all such plants through 2042.

The EPA issued the Industrial and Commercial Boiler Regulations for Area Sources of Hazardous Air Pollutants, with updates which impose emission limits, fuel requirements and monitoring requirements. The rule has a compliance deadline of March 21, 2014. In anticipation of this rule we suspended operations at the Osage plant on October 1, 2010 and as a result of this rule, we suspended operations at the Ben French facility on August 31, 2012 with plans to retire Osage, Ben French and Neil Simpson I on or before March 21, 2014. While the net book value of these plants is estimated to be insignificant at the time of retirement, we would reasonably expect any remaining value to be recovered through future rates.

Solid Waste Disposal

Various materials used at our facilities are subject to disposal regulations. Our Osage plant, at which operations have been suspended, has an on-site ash impoundment that is near capacity. An application to close the impoundment was approved by the State of Wyoming on April 13, 2012. Site closure work is underway with post closure monitoring to continue for 30 years.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Black Hills Power, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	2012/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

(13) QUARTERLY HISTORICAL DATA (Unaudited)

We operate on a calendar year basis. The following table sets forth selected unaudited historical operating results data for each quarter (in thousands):

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2012				
Operating revenues	\$ 62,270	\$ 58,372	\$ 61,134	\$ 61,533
Operating income	\$ 12,742	\$ 13,859	\$ 15,361	\$ 15,619
Net income	\$ 6,053	\$ 6,727	\$ 8,147	\$ 6,159
2011				
Operating revenues	\$ 59,194	\$ 56,098	\$ 64,940	\$ 65,399
Operating income	\$ 11,917	\$ 9,181	\$ 19,175	\$ 14,447
Net income	\$ 5,881	\$ 3,741	\$ 10,510	\$ 6,965

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section B

20:10:13:52. Statement B -- Income Statement. Statement B shall include income statements in the form prescribed by the FERC's uniform systems of accounts for public utilities and licensees or for gas companies, 18 C.F.R. 101 (April 1, 1985), and in any other form if ordered by the commission for the test period, and the most recently available income statement, including any applicable footnotes.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
STATEMENT OF INCOME
For the Test Year Ended September 30, 2013

Statement B
Page 1 of 1

Line No.	Description	Reference	September 30, 2013 (Test Year)	For the twelve months ended September 30, 2012
1	Electric Sales	440-447	\$ 222,086,699	\$ 211,635,864
2	Other Revenue	449-456	26,851,035	34,831,722
3	Sub-Total		<u>248,937,734</u>	<u>246,467,586</u>
4				
5	Fuel	501, 547	22,984,660	26,982,168
6	Purchased Power	555	45,690,059	65,485,213
7	Production Expense (Excludes Fuel and Purchased Power)	500-557	19,964,730	22,264,636
8	Transmission Expense	560-567	22,182,983	3,626,139
9	Distribution Expense	568-598	8,615,767	7,445,126
10	Customer Accounting Expense	901-905	2,708,305	2,926,318
11	Customer Service Expense	907-910	1,456,300	1,574,356
12	Sales Expense	912-913	30,308	1,805
13	Administrative and General Expense	920-935	31,094,935	27,142,991
14	Total O&M		<u>154,728,047</u>	<u>157,448,752</u>
15				
16	Depreciation Expense	403	27,909,862	27,645,020
17	Amortization	406	97,406	
18	Taxes Other than Income	408	5,359,279	4,772,949
19	Sub-Total		<u>33,366,547</u>	<u>32,417,969</u>
20				
21	Net Operating Income	Ln.3 - Ln.14 - Ln.19	60,843,140	56,600,865
22				
23	Non-Operating Income (& Expense)	415-417, 421-426	163,922	9,245,769
24	Interest (Expense)	427-431	(22,233,936)	(26,044,684)
25	AFUDC - Debt & Equity	419, 432	3,931,226	691,429
26	Non-Operating (Expense)		<u>(18,138,788)</u>	<u>(16,107,486)</u>
27				
28	Income Before Tax	Ln.21 + Ln.26	42,704,352	40,493,379
29				
30	Federal Income Taxes	409-411	15,014,035	12,600,568
31				
32	Net Utility Income	Ln.28 - Ln.30	<u>\$ 27,690,317</u>	<u>\$ 27,892,811</u>

Note: The September 2013 FERC Form 3Q, Quarterly Financial Report including footnotes, was filed with the Federal Energy Regulatory Commission and is the most recently filed financial statement prescribed in the FERC's uniform system of accounts. Black Hills Power 10Q as of September 30, 2013, prepared on a Generally Accepted Accounting Principle basis, was filed with the Securities and Exchange Commission in November 2013. Both filings are publicly available.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section C

20:10:13:53. Statement C – Statement of Retained Earnings. Statement C shall include earned surplus statements for the test period showing debits and credits according to descriptive captions, the balance as of the beginning and the end of the test period and the most recently available earned surplus statement, including any applicable footnotes.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
STATEMENT OF RETAINED EARNINGS
For the Test Year Ended September 30, 2013

Statement C
Page 1 of 1

Line No.	Description	Reference	September 30, 2013 (Test Year)	As of September 30, 2012
1	Balance at Beginning of Period		\$ 251,729,060	\$ 267,820,204
2	Net Income	Stmnt B Ln. 32	27,690,317	27,892,811
3	Non-Cash Dividend to Parent Company		<u>(8,000,000)</u>	<u>(43,983,955)</u>
4	Total Before Deductions		271,419,377	251,729,060
5				
6	Dividends Paid/Declared and Other			
7	Preferred Dividends		-	-
8	Acquired Related Company Equity		-	-
9	Common Stock Dividends		<u>-</u>	<u>-</u>
10				
11				
12	Balance at End of Period	Ln.4 + Ln.10	<u>\$ 271,419,377</u>	<u>\$ 251,729,060</u>

13
14 Note: The September 2013 FERC Form 3Q, Quarterly Financial Report including footnotes, was filed with the
15 Federal Energy Regulatory Commission and is the most recently filed financial statement prescribed in the
16 FERC's uniform system of accounts. Black Hills Power 10Q as of September 30, 2013, prepared on a
17 Generally Accepted Accounting Principle basis, was filed with the Securities and Exchange Commission in
18 November 2013. Both filings are publicly available.

Section D

20:10:13:54. Statement D -- Cost of Plant. Statement D shall include a statement showing in summary form the accounts of electric or gas utility plant classified by accounts 101, 102, 103, 104, 105, 106, 107, 118 as of the beginning of the 12 months of the test period, and the book additions and reductions in separate columns during the 12 months together with the book balances at the end of the 12-month period. Claimed adjustments, if any, to the book balances and the total cost of plant shall be shown in adjoining columns. All adjustments shall be fairly and clearly explained in the supporting material submitted. The material listed in §§ 20:10:13:55 to 20:10:13:63, inclusive, for electric or gas plant shall be submitted as part of statement D.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

Statement D Page 1: This Statement shows a roll forward of property records from September 30, 2012, to September 30, 2013. The roll forward includes additions, retirements, transfers and adjustments. Additional details of this roll forward by plant account can be found on Schedule D-1 which shows the same additions, retirements, transfers and adjustments by electric FERC account.

Statement D Page 2: This Statement shows a summary of average plant in service for rate base calculations. The amounts in column (a) represent average plant in service, and reconciles to the 12 month average calculated in Schedule D-3, part 1. Column (b) amounts are additions and expected additions to rate base that will be placed in service from October 1, 2013 to October 1, 2014. These amounts come from Schedules D-10, D-11 and H-13. Column (c) is an adjustment for the annualized electric FERC 106 account, see WP-4. Column (d) adjusts for the Ben French, Neil Simpson I and Osage Retirements. See Schedule D-3, part 2 and WP-5 for the detail. Column (e) amounts are the adjusted average plant in service and include Black Hills Power (BHP) Common Use System (CUS) assets. Column (f) amounts are the transfers from BHP state jurisdiction to BHP FERC jurisdiction (BHP CUS assets). Column (g) amounts are the total average adjusted plant in service, excluding BHP CUS assets, for rate base calculations that flow into Statement N-1.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:55. Schedule D-1 -- Detailed Plant Accounts. Schedule D-1 shall include the amounts by detail plant accounts in columnar form similar to statement D for each of the above accounts prescribed by the FERC's uniform systems of accounts for public utilities and licensees or for gas companies, 18 C.F.R. 101 (April 1, 1985), with subtotals by functional classification. To the extent plant costs are not available by detailed plant accounts they may be shown by functional classifications.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:56. Schedule D-2 -- Plant Addition and Retirement for Test Period.

Schedule D-2 shall show major plant addition and retirement projects for the test period, brief descriptions thereof, approximate dates of commercial operation or retirement from service, and cost.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:57. Schedule D-3 -- Working Papers Showing Plant Accounts on Average Basis for Test Period. Schedule D-3 shall show the 12 average monthly book balances during the 12 months in the test period for each detailed plant account, each subtotal of the functional classifications and total plant. The sum of such 12 average balances shall be divided by 12. The effect of proposed adjustments, if any, on the average balances shall also be shown. To the extent plant costs are not readily available by detailed plant accounts, they may be shown by functional classifications.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Schedule D-3, Part 1: This Schedule shows the 12 month average book balances during the test period, year ended September 30, 2013, for each detailed plant account. This Schedule reconciles to the amounts reported on Statement D, page 2.

Schedule D-3, Part 2: This Schedule provides further detail of the 12 month average book balances for the test period, year ended September 30, 2013, for Steam Production Plant. The detail is broken out by plant.

Section D

20:10:13:58. Schedule D-4 -- Plant Account Working Papers for Previous Years.

Schedule D-4 shall include a summary of the following by years with respect to the book changes in plant in service, account 101, for the last five calendar years of the operations of the company or its predecessors:

- (1) Starting balance;
- (2) Major additions and retirements, including the following:
 - (a) Month placed in service or retired from service;
 - (b) Period of construction;
- (3) Other major transactions recorded, such as corrections or transfers in sufficient detail to disclose the nature of the major changes;
- (4) Closing balance.

Any data required by this section which has been previously submitted to the commission by the utility may be incorporated by specific reference.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Schedule D-4 2008, Schedule D-4 2009, Schedule D-4 2010, Schedule D-4 2011, and Schedule D-4 2012 are attached.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:59. Schedule D-5 -- Working Papers on Capitalizing Interest and Other Overheads During Construction. Schedule D-5 shall include a complete statement of the methods and procedures followed in capitalizing interest during construction and other construction overheads, including any policy changes, the effective dates, and the reasons for the changes, for the last five calendar years, ending during the test year.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:60. Schedule D-6 -- Changes in Intangible Plant Working Papers. Schedule D-6 shall show any significant changes in intangible plant for the last five calendar years, ending during the test year. If any materials required in schedule D-6 have already been submitted to the commission, they may be incorporated by specific reference.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:61. Schedule D-7 -- Working Papers on Plant in Service Not Used and Useful. Schedule D-7 shall set forth the cost and description of any plant in service carried on the company's books as utility plant which was not being used in rendering service.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:62. Schedule D-8 -- Property Records Working Papers. Schedule D-8 shall set forth a description of the continuing property records maintained by the utility, including methods and procedures used to price retirements, and a list of retirement units used by the company in pricing retirements for the past five years. Any data required by this section which has been previously submitted to the commission by the utility may be incorporated by specific reference.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

20:10:13:63. Schedule D-9 -- Working Papers for Plant Acquired for Which Regulatory Approval Has Not Been Obtained. Schedule D-9 shall set forth any operating units or systems acquired for which regulatory approval of the final accounting has not been obtained. For such acquisitions, a summary analysis of the property acquired, proposed journal entries to record the acquisition and the proposed disposition of any difference between cost of acquisition and net original cost shall be submitted.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

Schedule D-10 – Subsequent Property Additions. This Schedule shows, by project description, the expected capital additions for the pro forma test year. These amounts are included as rate base on Statement D, page 2.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section D

Schedule D-11 – Cheyenne Prairie Generating Station. This Schedule shows in detail, Black Hills Power's forecasted total costs related to the Cheyenne Prairie Generating Station. These amounts are included as rate base on Statement D, page 2.

BLACK HILLS POWER, INC.
ELECTRIC PLANT IN SERVICE
For the Test Year Ended September 30, 2013

Statement D
Page 1 of 2

Line No.	FERC Acct. #	Description	Reference	Balance at September 30, 2012	Additions	Retirements	Transfers & Adjustments	Balance at September 30, 2013
1	101	Steam Production Plant	Sched. D-1 Ln. 10	\$ 431,023,817	\$ 8,675,327	\$ (4,077,302)	\$ -	\$ 435,621,842
2	114	Plant Acquisition Adjustment	Sched. D-1 Ln. 12	4,870,308	-	-	-	4,870,308
3	101	Other Production Plant	Sched. D-1 Ln. 22	79,780,574	1,357,047	(152,331)	-	80,985,289
4		Total Production Plant		515,674,699	10,032,374	(4,229,633)	-	521,477,439
5								
6	101	Transmission Plant	Sched. D-1 Ln. 35	114,430,083	1,011,479	(490,147)	(22,656)	114,928,759
7	101	Distribution Plant	Sched. D-1 Ln. 51	295,493,376	18,508,572	(2,358,791)	(318,045)	311,325,112
8	101	General Plant	Sched. D-1 Ln. 65	40,272,168	4,407,506	(784,026)	79,064	43,974,713
9	106	Compl. Construction - Not Classified	Sched. D-1 Ln. 72	14,722,625	-	-	(8,247,340)	6,475,284
10	118	Other Utility Plant	Sched. D-1 Ln. 74	25,113,061	-	-	224,074	25,337,135
11								
12		Total Electric Plant in Service		1,005,706,012	33,959,930	(7,862,597)	(8,284,903)	1,023,518,443
13								
14	107	Construction Work in Progress	Stmt. A pg. 1 Ln. 4	8,488,508	48,782,794	-	-	57,271,302
15								
16		Total Electric Plant	Ln.12 + Ln.14	\$ 1,014,194,520	\$ 82,742,724	\$ (7,862,597)	\$ (8,284,903)	\$ 1,080,789,745

BLACK HILLS POWER, INC.
ADJUSTED AVERAGE ELECTRIC PLANT IN SERVICE
For the Pro Forma Test Year Ended September 30, 2013

Statement D
Page 2 of 2

Line No.	FERC Acct. #	Description	Reference	(a) Average Plant in Service	(b) Subsequent & Expected Additions & Retirements	(c) Annualized Account 101 & 106	(d) Ben French, Neil Simpson I, and Osage Retirements	(e) [(a)+(b)+(c)+(d)] Adjusted Plant in Service	(f) Transfer Transmission Plant in Service (Note 3)	(g) [(e)+(f)] Adjusted Plant in Service
1	101	Steam Production Plant	Sched. D-3 Ln. 10(n)	\$ 434,221,546	\$ -	\$ -	\$ (54,755,892) (6)	\$ 379,465,654	\$ -	\$ 379,465,654
2	114	Plant Acquisition Adjustment	Sched. D-3 Ln. 12(n)	4,870,308	-	-	-	4,870,308	-	4,870,308
3	101	Other Production Plant	Sched. D-3 Ln. 22(n)	79,937,432	92,250,624 (5)	-	-	172,188,056	-	172,188,056
4		Total Production Plant		519,029,286	92,250,624	-	(54,755,892)	556,524,018	-	556,524,018
5										
6	101	Transmission Plant	Sched. D-3 Ln. 35(n)	114,770,646	-	-	-	114,770,646	(110,602,320)	4,168,326
7										
8	101	Distribution Plant	Sched. D-3 Ln. 51(n)	302,960,853	-	-	-	302,960,853	(1,994,184)	300,966,669
9										
10	101	General Plant	Sched. D-3 Ln. 65(n)	42,637,321	750,046 (2)	-	(182,472) (6)	43,204,895	(5,410,694)	37,794,201
11										
12	118	Other Utility Plant	Sched. D-3 Ln. 76(n)	26,339,382	1,456,749 (1)	-	-	27,796,131	(2,384,654)	25,411,477
13										
14		Total Electric Plant in Service		1,005,737,488	94,457,419	-	(54,938,364)	1,045,256,543	(120,391,852)	924,864,691
15										
16	106	Steam Production Plant	Sched. D-3 Ln. 69(n)	3,628,149	13,974,272 (1)	2,355,597 (4)	-	19,958,018	-	19,958,018
17	106	Other Production Plant	Sched. D-3 Ln. 70(n)	548,895	1,679,621 (1)	1,035,919 (4)	-	3,264,435	-	3,264,435
18	106	Transmission Plant	Sched. D-3 Ln. 71(n)	263,253	- (1)	- (4)	-	263,253	(263,253)	-
19	106	Distribution Plant	Sched. D-3 Ln. 72(n)	4,234,157	21,674,332 (1)	5,203,942 (4)	-	31,112,431	-	31,112,431
20	106	General Plant	Sched. D-3 Ln. 73(n)	1,852,886	4,462,479 (1)	2,523,540 (4)	-	8,838,905	-	8,838,905
21		Total Electric Plant Not Classified		10,527,340	41,790,704	11,118,998	-	63,437,042	(263,253)	63,173,789
22										
23										
24		Total Average Plant in Service	Ln.14 + Ln.21	\$ 1,016,264,828	\$ 136,248,123	\$ 11,118,998	\$ (54,938,364)	\$ 1,108,693,585	\$ (120,655,105)	\$ 988,038,480
25										

Note 1: See Schedule D-10 for additional details.

Note 2: See Schedule H-13 for additional details.

Note 3: Transfers from BHP state jurisdiction to BHP FERC jurisdiction.

Note 4: See WP-4 for additional details.

Note 5: See Schedule D-11 for details regarding the CPGS capital addition.

Note 6: See Schedule D-3 Part 2 for the Neil Simpson I, Ben French, and Osage steam production plant balances. The general plant balances associated with the three power plants are provided on WP-5.

BLACK HILLS POWER, INC.
ELECTRIC PLANT IN SERVICE
For the Test Year Ended September 30, 2013

Schedule D-1
Page 1 of 2

Line No.	FERC Acct. #	Description	Reference	Balance at September 30, 2012	Additions	Retirements	Transfers & Adjustments	Balance at September 30, 2013
1		STEAM PRODUCTION PLANT						
2								
3	310	Land and Land Rights	Sched. D-3 Ln. 3(a)	\$ 333,639	\$ -	\$ -	\$ -	\$ 333,639
4	311	Structures and Improvements	Sched. D-3 Ln. 4(a)	40,339,580	247,587	(81,269)	-	40,505,898
5	312	Boiler Plant Equipment	Sched. D-3 Ln. 5(a)	238,904,846	2,522,105	(1,744,809)	-	239,682,141
6	313	Engines and Engine Driven Generator	Sched. D-3 Ln. 6(a)	343,438	(1,690)	-	-	341,748
7	314	Turbogenerator Units	Sched. D-3 Ln. 7(a)	124,474,321	3,676,389	(2,216,283)	-	125,934,427
8	315	Accessory Electric Equipment	Sched. D-3 Ln. 8(a)	22,923,503	2,008,194	(14,218)	-	24,917,479
9	316	Miscellaneous Power Plant Equipment	Sched. D-3 Ln. 9(a)	3,704,490	222,742	(20,722)	-	3,906,509
10		Total Steam Plant Production Plant		<u>431,023,817</u>	<u>8,675,327</u>	<u>(4,077,302)</u>	-	<u>435,621,842</u>
11								
12	314	Plant Acquisition Adjustment	Sched. D-3 Ln. 12(a)	4,870,308	-	-	-	4,870,308
13								
14		OTHER PRODUCTION PLANT						
15								
16	340	Land and Land Rights	Sched. D-3 Ln. 16(a)	2,705	-	-	-	2,705
17	341	Structures and Improvements	Sched. D-3 Ln. 17(a)	515,535	6,758	(4,893)	-	517,400
18	342	Boiler Plant Equipment	Sched. D-3 Ln. 18(a)	5,266,275	103,836	(2,148)	-	5,367,964
19	344	Turbogenerator Units	Sched. D-3 Ln. 19(a)	69,045,931	1,246,452	(145,291)	-	70,147,092
20	345	Accessory Electric Equipment	Sched. D-3 Ln. 20(a)	4,867,260	-	-	-	4,867,260
21	346	Miscellaneous Power Plant Equipment	Sched. D-3 Ln. 21(a)	82,868	-	-	-	82,868
22		Total Other Production Plant		<u>79,780,574</u>	<u>1,357,047</u>	<u>(152,331)</u>	-	<u>80,985,289</u>
23								
24		Total Production Plant	Ln.10 + Ln.12 + Ln.22	<u>515,674,699</u>	<u>10,032,374</u>	<u>(4,229,633)</u>	-	<u>521,477,439</u>
25								
26		TRANSMISSION PLANT						
27								
28	350	Land and Land Rights	Sched. D-3 Ln. 28(a)	5,745,930	223,952	(223,952)	-	5,745,930
29	352	Structures and Improvements	Sched. D-3 Ln. 29(a)	1,782,604	-	-	-	1,782,604
30	353	Station Equipment	Sched. D-3 Ln. 30(a)	48,859,372	364,885	(197,425)	(22,656)	49,004,176
31	354	Tower and Fixtures	Sched. D-3 Ln. 31(a)	864,826	-	-	-	864,826
32	355	Poles and Fixtures	Sched. D-3 Ln. 32(a)	27,786,430	358,327	(62,675)	-	28,082,082
33	356	Overhead Conductors and Devices	Sched. D-3 Ln. 33(a)	29,384,000	64,315	(6,095)	-	29,442,220
34	359	Roads and Trails	Sched. D-3 Ln. 34(a)	6,920	-	-	-	6,920
35		Total Transmission Plant		<u>114,430,083</u>	<u>1,011,479</u>	<u>(490,147)</u>	<u>(22,656)</u>	<u>114,928,759</u>
36								

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BLACK HILLS POWER, INC.
ELECTRIC PLANT IN SERVICE
For the Test Year Ended September 30, 2013

Schedule D-1
Page 2 of 2

Line No.	FERC Acct. #	Description	Reference	Balance at September 30, 2012	Additions	Retirements	Transfers & Adjustments	Balance at September 30, 2013
37		DISTRIBUTION PLANT						
38								
39	360	Land and Land Rights	Sched. D-3 Ln. 39(a)	2,094,728	147,593	-	-	2,242,321
40	361	Structure and Improvements	Sched. D-3 Ln. 40(a)	707,388	17,441	-	-	724,829
41	362	Station Equipment	Sched. D-3 Ln. 41(a)	69,014,226	6,177,245	(772,439)	22,346	74,441,379
42	364	Poles, Towers, and Fixtures	Sched. D-3 Ln. 42(a)	66,437,989	3,372,080	(372,700)	318	69,437,686
43	365	Overhead Conductors and Devices	Sched. D-3 Ln. 43(a)	40,726,987	2,676,066	(411,345)	(56,653)	42,935,055
44	366	Underground Conduit	Sched. D-3 Ln. 44(a)	3,940,799	379,429	(78,781)	213	4,241,659
45	367	Underground Conductors and Devices	Sched. D-3 Ln. 45(a)	39,397,195	966,991	(46,990)	(169,717)	40,147,480
46	368	Line Transformers	Sched. D-3 Ln. 46(a)	34,109,905	2,457,803	(625,430)	6,425	35,948,703
47	369	Services	Sched. D-3 Ln. 47(a)	28,474,252	1,910,989	(12,280)	(171,207)	30,201,754
48	370	Meters	Sched. D-3 Ln. 48(a)	6,754,004	273,592	(10,765)	50,230	7,067,061
49	371	Installation on Customers' Premises	Sched. D-3 Ln. 49(a)	2,121,091	102,058	(17,250)	-	2,205,899
50	373	Street Lighting and Signal Systems	Sched. D-3 Ln. 50(a)	1,714,812	27,286	(10,811)	-	1,731,287
51		Total Distribution Plant		<u>295,493,376</u>	<u>18,508,572</u>	<u>(2,358,791)</u>	<u>(318,045)</u>	<u>311,325,112</u>
52								
53		GENERAL PLANT						
54								
55	389	Land and Land Rights	Sched. D-3 Ln. 55(a)	807,757	49,277	-	-	857,033
56	390	Structures and Improvements	Sched. D-3 Ln. 56(a)	11,198,907	1,038,902	(251,833)	-	11,985,976
57	391	Office Furniture and Equipment	Sched. D-3 Ln. 57(a)	7,513,044	1,175,863	(27,165)	-	8,661,742
58	392	Transportation Equipment	Sched. D-3 Ln. 58(a)	7,025,658	1,500,432	(278,181)	55,756	8,303,665
59	393	Stores Equipment	Sched. D-3 Ln. 59(a)	311,468	25,839	-	-	337,307
60	394	Tools, Shop and Garage Equipment	Sched. D-3 Ln. 60(a)	4,184,293	145,210	(220,472)	16,800	4,125,831
61	395	Laboratory Equipment	Sched. D-3 Ln. 61(a)	314,748	110,484	(328)	-	424,904
62	396	Power Operated Equipment	Sched. D-3 Ln. 62(a)	673,907	196,231	-	6,508	876,646
63	397	Communication Equipment	Sched. D-3 Ln. 63(a)	8,048,368	161,989	(6,047)	-	8,204,310
64	398	Miscellaneous Equipment	Sched. D-3 Ln. 64(a)	194,019	3,279	-	-	197,298
65		Total General Plant		<u>40,272,168</u>	<u>4,407,506</u>	<u>(784,026)</u>	<u>79,064</u>	<u>43,974,713</u>
66								
67	106	Completed/Not Classified - Production	Sched. D-3 Ln. 69(a)	7,796,776	-	-	(5,321,818)	2,474,958
68	106	Completed/Not Classified - Other Production	Sched. D-3 Ln. 70(a)	37,908	-	-	84,142	122,050
69	106	Completed/Not Classified - Transmission	Sched. D-3 Ln. 71(a)	459,215	-	-	(444,428)	14,788
70	106	Completed/Not Classified - Distribution	Sched. D-3 Ln. 72(a)	4,013,834	-	-	(2,209,673)	1,804,160
71	106	Completed/Not Classified - General	Sched. D-3 Ln. 73(a)	2,414,891	-	-	(355,563)	2,059,328
72		Total Completed/Not Classified		<u>14,722,625</u>	<u>-</u>	<u>-</u>	<u>(8,247,340)</u>	<u>6,475,284</u>
73								
74	118	Other Utility Plant	Sched. D-3 Ln. 76(a)	25,113,061	-	-	224,074	25,337,135
75								
76		TOTAL ELECTRIC PLANT IN SERVICE	Ln.24 + Ln.35 + Ln.51 + Ln.65 + Ln.72 + Ln.74	<u>\$ 1,005,706,012</u>	<u>\$ 33,959,930</u>	<u>\$ (7,862,597)</u>	<u>\$ (8,284,903)</u>	<u>\$ 1,023,518,442</u>
77								

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BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Period January 2013 Through September 2013

Schedule D-2 2013
Page 1 of 2

Line No.	Work Order	Description	Amount	Start Date	Period Closed
1		PRODUCTION			
2	VARIOUS	VARIOUS UNDER \$100,000	\$ 715,746	VARIOUS	VARIOUS
3	10047690	NSC-PURCH DEMIN TANK FROM PACIFICOR	100,000	1/30/2013	9
4	10046959	CORROSION CONTROL REPAIRS TO CT GAS	103,836	10/17/2012	3
5	10044486	WYG3-ASH LINE SEPARATION MODIFICATI	114,507	2/28/2012	9
6	99154152	NS2/WYG1-CONV DUST CONTRL/BELT REPL	140,752	9/2/2010	8
7	10043935	NS2/WYG3-TWIPS PROTECTION PROJ	190,625	1/12/2012	2
8	10047141	BEN F-#2 DIESEL OVERHAUL 2012	231,545	12/5/2012	9
9	10042537	WYG3-SCR CATALYST REMOVAL/INSTALLAT	291,390	4/12/2012	4
10	99155012	BHPS SHARE OF WYODAK I CAPITAL	297,241	VARIOUS	VARIOUS
11	10042581	B FRNCH DIESELS-RICE COMPLIANCE	934,210	10/5/2011	9
12	99154149	NS2-UPGRADE STOP VALVE & CONTROL FO	2,077,307	9/20/2011	2
13		TOTAL MAJOR ADDITIONS	\$ 5,197,158		
14					
15	VARIOUS	FERC ACCT 311	(13,009)	VARIOUS	VARIOUS
16	VARIOUS	FERC ACCT 312	(694,461)	VARIOUS	VARIOUS
17	VARIOUS	FERC ACCT 314	(1,365,624)	VARIOUS	VARIOUS
18	VARIOUS	FERC ACCT 315	(11,424)	VARIOUS	VARIOUS
19	VARIOUS	FERC ACCT 316	(5,466)	VARIOUS	VARIOUS
20	VARIOUS	FERC ACCT 341	(4,893)	VARIOUS	VARIOUS
21	VARIOUS	FERC ACCT 342	(2,148)	VARIOUS	VARIOUS
22	VARIOUS	FERC ACCT 344	(145,291)	VARIOUS	VARIOUS
23		TOTAL MAJOR RETIREMENTS	\$ (2,242,316)		
24					
25		TRANSMISSION			
26	VARIOUS	VARIOUS UNDER \$100,000	141,452	VARIOUS	VARIOUS
27	99156250	230KV BREAKER REPLACEMENT	143,522	3/10/2011	8
28	99156269	TRANSMISSION STATION RELAY UPGRADE	153,922	2/4/2010	4
29		TOTAL MAJOR ADDITIONS	\$ 438,896		
30					
31	VARIOUS	FERC ACCT 353	(197,425)	VARIOUS	VARIOUS
32	VARIOUS	FERC ACCT 355	(4,027)	VARIOUS	VARIOUS
33		TOTAL MAJOR RETIREMENTS	\$ (201,452)		
34					
35		DISTRIBUTION			
36	VARIOUS	VARIOUS UNDER \$100,000	1,105,922	VARIOUS	VARIOUS
37	10040163	STRAWBERRY HILL REBUILD	111,344	5/25/2012	3
38	99157133	DISTRIBUTION RELIABILITY	136,973	8/13/2012	9
39	99157012	ROAD IMPROVEMENTS PROJECTS	180,823	3/25/2010	VARIOUS
40	99156006	TRANSMISSION CONTINGENCY	249,473	3/19/2013	8
41	99157006	REPLACE AND STUB DISTRIBUTION POLES	251,887	9/7/2011	VARIOUS
42	99157007	REPLACE UNDERGROUND	376,227	2/7/2012	VARIOUS
43	99157009	BETTERMENT PROJECT < \$25000	419,995	4/22/2009	VARIOUS
44	10040054	Repl Electric Primary Extension Bal	427,472	8/30/2010	VARIOUS
45	99157252	RECONDUCTOR FROM CUSTER TO CUSTER S	432,880	2/24/2010	3
46	99157728	CATRON BLVD 69KV RELOCATION	433,827	9/18/2009	9
47	99157002	BLANKET PROJECT - TRANSFORMERS	596,462	8/8/1995	VARIOUS
48	10040064	Inv New Cust Undg svc/Meter Endos	624,365	8/30/2010	VARIOUS
49	99157729	JACKSON BLVD 69KV RELOCATION	710,361	5/3/2012	9
50	99157001	CUSTOMER PROJECTS OVER \$5000	887,710	6/27/2011	VARIOUS
51	10040058	Inv New Cust Elec Serv OH Blanket	903,843	8/15/2010	VARIOUS
52	99157241	REBUILD SPEARFISH CITY SUB	1,304,796	5/4/2010	8
53	10042629	Distribution Rebuilds	1,366,393	3/20/2012	VARIOUS
54	99157232	FIFTH STREET SUB EXP. (ENG ONLY)	1,535,933	12/9/2008	9
55		TOTAL MAJOR ADDITIONS	\$ 12,056,689		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Period January 2013 Through September 2013

Schedule D-2 2013
Page 2 of 2

Line No.	Work Order	Description	Amount	Start Date	Period Closed
56	VARIOUS	FERC ACCT 362	\$ (657,962)	VARIOUS	VARIOUS
57	VARIOUS	FERC ACCT 364	(264,878)	VARIOUS	VARIOUS
58	VARIOUS	FERC ACCT 365	(283,400)	VARIOUS	VARIOUS
59	VARIOUS	FERC ACCT 366	(51,403)	VARIOUS	VARIOUS
60	VARIOUS	FERC ACCT 367	(33,010)	VARIOUS	VARIOUS
61	VARIOUS	FERC ACCT 368	(372,816)	VARIOUS	VARIOUS
62	VARIOUS	FERC ACCT 369	(8,797)	VARIOUS	VARIOUS
63	VARIOUS	FERC ACCT 370	(9,704)	VARIOUS	VARIOUS
64	VARIOUS	FERC ACCT 371	(14,871)	VARIOUS	VARIOUS
65	VARIOUS	FERC ACCT 373	(9,861)	VARIOUS	VARIOUS
66		TOTAL MAJOR RETIREMENTS	<u>\$ (1,706,702)</u>		
67					
68		GENERAL			
69	VARIOUS	VARIOUS UNDER \$100,000	286,544	VARIOUS	VARIOUS
70	99158012	METER LAB TOOL BLANKET	107,207	5/21/2012	4
71	10043553	BHP 2012 FACILITY CAPEX	335,510	1/1/2013	VARIOUS
72	99157255	AMI AUTOMATED METER READING PROJECT	935,061	3/30/2010	3
73	10040395	FLEET PURCHASED BHP	1,091,193	9/1/2012	VARIOUS
74		TOTAL MAJOR ADDITIONS	<u>\$ 2,755,515</u>		
75					
76	VARIOUS	FERC ACCT 390	(86,395)	VARIOUS	VARIOUS
77	VARIOUS	FERC ACCT 391	(2,010)	VARIOUS	VARIOUS
78	VARIOUS	FERC ACCT 392	(254,902)	VARIOUS	VARIOUS
79	VARIOUS	FERC ACCT 394	(220,472)	VARIOUS	VARIOUS
80	VARIOUS	FERC ACCT 395	(328)	VARIOUS	VARIOUS
81		TOTAL MAJOR RETIREMENTS	<u>\$ (564,107)</u>		
82					
83					
84		Grand Total	<u>\$ 15,733,680</u>		

BLACK HILLS POWER, INC.
PLANT ACCOUNT BALANCES
For the Test Year Ended September 30, 2013

Schedule D-3, part 1
Page 1 of 4

Line No.	FERC Acct. #	Description	(a) September 2012	(b) October 2012	(c) November 2012	(d) December 2012	(e) January 2013	(f) February 2013	(g) March 2013
1		STEAM PRODUCTION PLANT							
2									
3	310	Land and Land Rights	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639
4	311	Structures and Improvements	40,339,580	40,508,545	40,508,545	40,493,564	40,487,933	40,487,933	40,487,933
5	312	Boiler Plant Equipment	238,904,846	239,070,990	239,071,499	239,118,002	239,150,200	239,405,564	239,407,882
6	313	Engines and Engine Driven Generator	343,438	341,748	341,748	341,748	341,748	341,748	341,748
7	314	Turbogenerator Units	124,474,321	124,682,087	124,682,087	124,807,676	124,787,739	125,918,157	125,968,076
8	315	Accessory Electric Equipment	22,923,503	22,890,191	22,890,191	24,928,903	24,928,903	24,928,903	24,928,903
9	316	Miscellaneous Power Plant Equipment	3,704,490	3,848,184	3,848,184	3,848,184	3,867,444	3,863,788	3,863,788
10		Total Steam Plant Production Plant	431,023,817	431,675,384	431,675,894	433,871,716	433,897,608	435,279,732	435,331,969
11									
12	314	Plant Acquisition Adjustment	4,870,308	4,870,308	4,870,308	4,870,308	4,870,308	4,870,308	4,870,308
13									
14		OTHER PRODUCTION PLANT							
15									
16	340	Land and Land Rights	2,705	2,705	2,705	2,705	2,705	2,705	2,705
17	341	Structures and Improvements	515,535	515,535	515,535	515,535	517,400	517,400	517,400
18	342	Boiler Plant Equipment	5,266,275	5,266,275	5,266,275	5,266,275	5,266,275	5,367,964	5,367,964
19	344	Turbogenerator Units	69,045,931	69,045,931	69,045,931	69,045,931	69,060,681	69,060,681	69,060,681
20	345	Accessory Electric Equipment	4,867,260	4,867,260	4,867,260	4,867,260	4,867,260	4,867,260	4,867,260
21	346	Miscellaneous Power Plant Equipment	82,868	82,868	82,868	82,868	82,868	82,868	82,868
22		Total Other Production Plant	79,780,574	79,780,574	79,780,574	79,780,574	79,797,189	79,898,877	79,898,877
23									
24		Total Production Plant	515,674,699	516,326,266	516,326,775	518,522,598	518,565,105	520,048,918	520,101,154
25									
26		TRANSMISSION PLANT							
27									
28	350	Land and Land Rights	5,745,930	5,745,930	5,745,930	5,745,930	5,745,930	5,745,930	5,745,930
29	352	Structures and Improvements	1,782,604	1,782,604	1,782,604	1,782,604	1,782,604	1,782,604	1,782,604
30	353	Station Equipment	48,859,372	48,865,579	48,875,836	48,875,836	48,887,045	48,887,045	48,887,045
31	354	Tower and Fixtures	864,826	864,826	864,826	864,826	864,826	864,826	864,826
32	355	Poles and Fixtures	27,786,430	27,780,141	28,030,467	28,030,467	28,039,245	28,039,245	28,074,963
33	356	Overhead Conductors and Devices	29,384,000	29,377,906	29,407,388	29,407,388	29,407,388	29,407,388	29,442,220
34	359	Roads and Trails	6,920	6,920	6,920	6,920	6,920	6,920	6,920
35		Total Transmission Plant	114,430,083	114,423,906	114,713,971	114,713,971	114,733,958	114,733,958	114,804,508
36									
37		DISTRIBUTION PLANT							
38									
39	360	Land and Land Rights	2,094,728	2,094,735	2,094,738	2,095,242	2,095,244	2,095,255	2,095,255
40	361	Structure and Improvements	707,388	707,490	707,490	707,490	707,490	707,490	707,490
41	362	Station Equipment	69,014,226	69,020,869	68,998,588	72,004,505	72,004,505	72,007,482	72,007,482
42	364	Poles, Towers, and Fixtures	66,437,989	66,635,156	66,857,691	67,251,894	67,363,745	67,678,081	67,964,889
43	365	Overhead Conductors and Devices	40,726,987	40,949,254	41,055,855	41,104,528	41,098,560	41,442,761	41,880,816
44	366	Underground Conduit	3,940,799	3,965,288	3,985,486	4,033,669	4,059,046	4,081,691	4,075,565
45	367	Underground Conductors and Devices	39,397,195	39,451,953	39,500,887	39,447,307	39,498,351	39,543,498	39,565,068
46	368	Line Transformers	34,109,905	34,273,008	34,557,376	34,656,715	34,729,785	34,894,464	35,015,303
47	369	Services	28,474,252	28,628,532	28,746,729	28,725,125	28,826,310	28,930,513	28,990,099
48	370	Meters	6,754,004	6,737,459	6,735,340	6,949,346	7,044,745	7,060,350	7,051,648

BLACK HILLS POWER, INC.
PLANT ACCOUNT BALANCES
For the Test Year Ended September 30, 2013

Schedule D-3, part 1
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Line No.	FERC Acct. #	Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)
			September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013
49	371	Installation on Customers' Premises	2,121,091	2,148,709	2,158,473	2,168,297	2,171,709	2,173,945	2,181,055
50	373	Street Lighting and Signal Systems	1,714,812	1,717,779	1,718,498	1,720,901	1,722,440	1,723,436	1,730,906
51		Total Distribution Plant	<u>295,493,376</u>	<u>296,330,232</u>	<u>297,117,151</u>	<u>300,865,020</u>	<u>301,321,930</u>	<u>302,338,965</u>	<u>303,265,575</u>
52									
53		GENERAL PLANT							
54									
55	389	Land and Land Rights	807,757	856,913	856,913	856,913	856,913	856,913	857,033
56	390	Structures and Improvements	11,198,907	11,600,408	11,649,389	11,649,390	11,746,889	11,786,185	11,889,559
57	391	Office Furniture and Equipment	7,513,044	7,626,048	7,628,044	7,628,044	7,635,999	7,656,671	8,653,088
58	392	Transportation Equipment	7,025,658	7,211,001	7,251,517	7,488,028	7,488,028	7,523,174	7,523,174
59	393	Stores Equipment	311,468	322,435	322,435	322,435	337,301	337,301	337,301
60	394	Tools, Shop and Garage Equipment	4,184,293	4,218,905	4,221,675	4,276,426	4,277,282	4,321,303	4,323,625
61	395	Laboratory Equipment	314,748	318,024	318,024	318,024	318,024	318,024	318,024
62	396	Power Operated Equipment	673,907	838,864	845,372	845,372	845,372	845,372	845,372
63	397	Communication Equipment	8,048,368	8,161,811	8,170,929	8,170,929	8,175,387	8,175,387	8,175,387
64	398	Miscellaneous Equipment	194,019	197,298	197,298	197,298	197,298	197,298	197,298
65		Total General Plant	<u>40,272,168</u>	<u>41,351,707</u>	<u>41,461,596</u>	<u>41,752,859</u>	<u>41,878,494</u>	<u>42,017,628</u>	<u>43,119,862</u>
66									
67		Total Electric Plant in Service	<u>965,870,327</u>	<u>968,432,111</u>	<u>969,619,493</u>	<u>975,854,447</u>	<u>976,499,486</u>	<u>979,139,469</u>	<u>981,291,100</u>
68									
69	106	Completed/Not Classified - Production	7,796,776	5,624,264	5,649,742	3,999,637	4,010,437	1,384,932	2,481,160
70	106	Completed/Not Classified - Other Production	37,908	37,908	37,908	168,413	130,134	10,920	10,920
71	106	Completed/Not Classified - Transmission	459,215	409,311	205,243	378,141	419,555	446,561	411,601
72	106	Completed/Not Classified - Distribution	4,013,834	6,704,733	6,581,881	3,248,475	3,073,930	3,798,279	3,903,489
73	106	Completed/Not Classified - General	2,414,891	491,404	450,541	2,254,343	2,141,290	2,063,399	1,750,503
74		Total Completed/Not Classified	<u>14,722,625</u>	<u>13,267,621</u>	<u>12,925,316</u>	<u>10,049,010</u>	<u>9,775,346</u>	<u>7,704,092</u>	<u>8,557,673</u>
75									
76	118	Other Utility Plant	25,113,061	26,054,099	26,572,742	27,793,125	27,127,999	27,245,640	27,182,850
77									
78		TOTAL PLANT	<u>\$ 1,005,706,012</u>	<u>\$ 1,007,753,831</u>	<u>\$ 1,009,117,551</u>	<u>\$ 1,013,696,583</u>	<u>\$ 1,013,402,832</u>	<u>\$ 1,014,089,201</u>	<u>\$ 1,017,031,623</u>

BLACK HILLS POWER, INC.
PLANT ACCOUNT BALANCES
For the Test Year Ended September 30, 2013

Schedule D-3, part 1
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Line No.	FERC Acct. #	Description	(h)	(i)	(j)	(k)	(l)	(m)	(n)
			April 2013	May 2013	June 2013	July 2013	August 2013	September 2013	13 Month Average
STEAM PRODUCTION PLANT									
1									
2									
3	310	Land and Land Rights	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639	\$ 333,639
4	311	Structures and Improvements	40,487,933	40,506,295	40,506,295	40,505,898	40,505,898	40,505,898	40,487,096
5	312	Boiler Plant Equipment	239,407,882	239,350,328	239,350,328	239,293,140	239,442,453	239,682,141	239,281,173
6	313	Engines and Engine Driven Generator	341,748	341,748	341,748	341,748	341,748	341,748	341,878
7	314	Turbogenerator Units	125,968,076	125,987,773	125,987,773	125,911,128	125,912,352	125,934,427	125,463,205
8	315	Accessory Electric Equipment	24,928,903	24,928,903	24,928,903	24,917,479	24,917,479	24,917,479	24,458,357
9	316	Miscellaneous Power Plant Equipment	3,863,788	3,869,875	3,869,875	3,869,958	3,906,509	3,906,509	3,856,198
10		Total Steam Plant Production Plant	435,331,969	435,318,561	435,318,561	435,172,990	435,360,078	435,621,842	434,221,546
11									
12	314	Plant Acquisition Adjustment	4,870,308	4,870,308	4,870,308	4,870,308	4,870,308	4,870,308	4,870,308
13									
OTHER PRODUCTION PLANT									
14									
15									
16	340	Land and Land Rights	2,705	2,705	2,705	2,705	2,705	2,705	2,705
17	341	Structures and Improvements	517,400	517,400	517,400	517,400	517,400	517,400	516,826
18	342	Boiler Plant Equipment	5,367,964	5,367,964	5,367,964	5,367,964	5,367,964	5,367,964	5,328,853
19	344	Turbogenerator Units	69,060,681	69,058,106	69,058,106	69,058,106	69,058,106	70,147,092	69,138,920
20	345	Accessory Electric Equipment	4,867,260	4,867,260	4,867,260	4,867,260	4,867,260	4,867,260	4,867,260
21	346	Miscellaneous Power Plant Equipment	82,868	82,868	82,868	82,868	82,868	82,868	82,868
22		Total Other Production Plant	79,898,877	79,896,303	79,896,303	79,896,303	79,896,303	80,985,289	79,937,432
23									
24		Total Production Plant	520,101,154	520,085,172	520,085,172	519,939,601	520,126,689	521,477,439	519,029,286
25									
TRANSMISSION PLANT									
26									
27									
28	350	Land and Land Rights	5,745,930	5,745,930	5,745,930	5,745,930	5,745,930	5,745,930	5,745,930
29	352	Structures and Improvements	1,782,604	1,782,604	1,782,604	1,782,604	1,782,604	1,782,604	1,782,604
30	353	Station Equipment	48,983,109	48,960,453	48,960,453	49,004,176	49,004,176	49,004,176	48,927,254
31	354	Tower and Fixtures	864,826	864,826	864,826	864,826	864,826	864,826	864,826
32	355	Poles and Fixtures	28,082,082	28,082,082	28,082,082	28,082,082	28,082,082	28,082,082	28,021,035
33	356	Overhead Conductors and Devices	29,442,220	29,442,220	29,442,220	29,442,220	29,442,220	29,442,220	29,422,077
34	359	Roads and Trails	6,920	6,920	6,920	6,920	6,920	6,920	6,920
35		Total Transmission Plant	114,907,692	114,885,036	114,885,036	114,928,759	114,928,759	114,928,759	114,770,646
36									
DISTRIBUTION PLANT									
37									
38									
39	360	Land and Land Rights	2,095,255	2,095,255	2,095,255	2,095,255	2,097,063	2,242,321	2,106,585
40	361	Structure and Improvements	707,490	707,490	707,490	707,490	708,071	724,829	708,861
41	362	Station Equipment	72,024,403	72,047,059	72,050,307	72,306,537	73,535,584	74,441,379	71,650,994
42	364	Poles, Towers, and Fixtures	68,056,381	68,167,326	68,386,670	68,461,293	68,724,402	69,437,686	67,801,785
43	365	Overhead Conductors and Devices	42,113,333	42,202,850	42,427,092	42,584,580	42,652,308	42,935,055	41,782,614
44	366	Underground Conduit	4,082,123	4,081,389	4,143,608	4,150,705	4,224,745	4,241,659	4,081,983
45	367	Underground Conductors and Devices	39,626,906	39,632,613	39,774,378	39,908,814	40,108,761	40,147,480	39,661,786
46	368	Line Transformers	35,174,395	35,227,664	35,369,405	35,488,044	35,729,881	35,948,703	35,013,434
47	369	Services	29,492,320	29,565,401	29,770,851	29,953,168	30,071,514	30,201,754	29,259,736
48	370	Meters	7,177,360	7,079,113	7,070,031	7,067,061	7,067,061	7,067,061	6,989,275

BLACK HILLS POWER, INC.
PLANT ACCOUNT BALANCES
For the Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	(h)	(i)	(j)	(k)	(l)	(m)	(n)
			April 2013	May 2013	June 2013	July 2013	August 2013	September 2013	13 Month Average
49	371	Installation on Customers' Premises	2,181,190	2,182,064	2,198,165	2,206,896	2,208,670	2,205,899	2,177,397
50	373	Street Lighting and Signal Systems	1,730,444	1,732,115	1,731,927	1,734,436	1,734,258	1,731,287	1,726,403
51		Total Distribution Plant	<u>304,461,601</u>	<u>304,720,340</u>	<u>305,725,179</u>	<u>306,664,280</u>	<u>308,862,319</u>	<u>311,325,112</u>	<u>302,960,853</u>
52		GENERAL PLANT							
53									
54									
55	389	Land and Land Rights	857,033	857,033	857,033	857,033	857,033	857,033	853,197
56	390	Structures and Improvements	11,889,559	11,889,560	11,889,560	11,961,340	11,985,974	11,985,975	11,778,669
57	391	Office Furniture and Equipment	8,653,188	8,653,188	8,653,188	8,661,742	8,661,742	8,661,742	8,175,825
58	392	Transportation Equipment	7,649,242	7,953,049	7,919,578	8,299,683	8,291,966	8,303,665	7,686,751
59	393	Stores Equipment	337,301	337,301	337,301	337,307	337,307	337,307	331,885
60	394	Tools, Shop and Garage Equipment	4,323,625	4,326,478	4,170,312	4,173,338	4,181,055	4,125,831	4,240,319
61	395	Laboratory Equipment	420,675	420,675	420,675	424,904	424,904	424,904	366,125
62	396	Power Operated Equipment	845,372	845,372	845,372	845,372	845,372	876,646	834,087
63	397	Communication Equipment	8,175,387	8,193,951	8,193,951	8,204,310	8,204,310	8,204,310	8,173,417
64	398	Miscellaneous Equipment	197,298	197,298	197,298	197,298	197,298	197,298	197,046
65		Total General Plant	<u>43,348,680</u>	<u>43,673,905</u>	<u>43,484,269</u>	<u>43,962,328</u>	<u>43,986,962</u>	<u>43,974,712</u>	<u>42,637,321</u>
66									
67		Total Electric Plant in Service	<u>982,819,127</u>	<u>983,364,453</u>	<u>984,179,656</u>	<u>985,494,967</u>	<u>987,904,729</u>	<u>991,706,023</u>	<u>979,398,107</u>
68									
69	106	Completed/Not Classified - Production	2,591,772	2,757,330	2,658,798	3,051,154	2,684,979	2,474,958	3,628,149
70	106	Completed/Not Classified - Other Production	1,210,858	1,436,724	1,300,436	1,317,346	1,314,112	122,050	548,895
71	106	Completed/Not Classified - Transmission	212,185	212,207	224,846	13,893	14,745	14,788	263,253
72	106	Completed/Not Classified - Distribution	3,314,473	3,636,001	5,648,497	5,246,208	4,070,079	1,804,160	4,234,157
73	106	Completed/Not Classified - General	2,321,618	2,135,008	2,273,067	1,877,719	1,854,410	2,059,328	1,852,886
74		Total Completed/Not Classified	<u>9,650,905</u>	<u>10,177,269</u>	<u>12,105,644</u>	<u>11,506,321</u>	<u>9,938,324</u>	<u>6,475,284</u>	<u>10,527,340</u>
75									
76	118	Other Utility Plant	27,033,744	26,096,318	26,126,987	25,553,206	25,175,066	25,337,135	26,339,382
77									
78		TOTAL PLANT	<u>\$ 1,019,503,776</u>	<u>\$ 1,019,638,040</u>	<u>\$ 1,022,412,286</u>	<u>\$ 1,022,554,494</u>	<u>\$ 1,023,018,119</u>	<u>\$ 1,023,518,442</u>	<u>\$ 1,016,264,828</u>

BLACK HILLS POWER, INC.
STEAM PRODUCTION BY PLANT
For the Test Year Ended September 30, 2013

Schedule D-3, part 2
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Line No.	FERC Acct. #	Description	(a) September 2012	(b) October 2012	(c) November 2012	(d) December 2012	(e) January 2013	(f) February 2013	(g) March 2013
1		STEAM PRODUCTION PLANT							
2									
3		Ben French							
4	310	Land	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680
5	311	Structures and Improvements	2,251,067	2,251,067	2,251,067	2,251,067	2,251,067	2,251,067	2,251,067
6	312	Boiler Plant Equipment	6,842,536	6,842,536	6,842,536	6,842,536	6,842,536	6,842,536	6,842,536
7	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
8	314	Turbogenerator Units	3,956,116	3,956,116	3,956,116	3,956,116	3,956,116	3,956,116	3,956,116
9	315	Accessory Electric Equipment	756,487	756,487	756,487	756,487	756,487	756,487	756,487
10	316	Miscellaneous Power Plant Equipment	461,438	461,438	461,438	461,438	461,438	461,438	461,438
11		Total Ben French	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>
12									
13		Neil Simpson I							
14	310	Land	1,000	1,000	1,000	1,000	1,000	1,000	1,000
15	311	Structures and Improvements	2,292,160	2,278,771	2,278,771	2,263,790	2,263,790	2,263,790	2,263,790
16	312	Boiler Plant Equipment	14,327,825	14,327,825	14,327,825	14,327,825	14,349,391	14,349,004	14,349,004
17	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
18	314	Turbogenerator Units	3,916,967	3,916,967	3,916,967	3,916,967	3,916,967	3,916,967	3,916,967
19	315	Accessory Electric Equipment	1,334,432	1,334,432	1,334,432	1,334,432	1,334,432	1,334,432	1,334,432
20	316	Miscellaneous Power Plant Equipment	424,995	424,995	424,995	424,995	424,995	424,995	424,995
21		Total Neil Simpson I	<u>22,297,379</u>	<u>22,283,991</u>	<u>22,283,991</u>	<u>22,269,009</u>	<u>22,290,575</u>	<u>22,290,188</u>	<u>22,290,188</u>
22									
23		Neil Simpson II							
24	310	Land	7,965	7,965	7,965	7,965	7,965	7,965	7,965
25	311	Structures and Improvements	15,852,353	15,824,538	15,824,538	15,863,029	15,862,420	15,894,997	15,894,997
26	312	Boiler Plant Equipment	77,026,748	76,706,069	76,704,582	76,897,107	77,031,438	77,196,589	77,173,217
27	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
28	314	Turbogenerator Units	41,447,365	41,491,502	41,488,880	41,534,098	41,723,252	40,328,584	40,328,584
29	315	Accessory Electric Equipment	8,508,225	8,508,225	8,537,802	8,429,093	8,429,093	8,429,093	8,429,093
30	316	Miscellaneous Power Plant Equipment	875,727	875,989	875,989	875,989	812,396	808,569	808,569
31		Total Neil Simpson II	<u>143,718,384</u>	<u>143,414,289</u>	<u>143,439,755</u>	<u>143,607,282</u>	<u>143,866,564</u>	<u>142,665,798</u>	<u>142,642,425</u>
32									
33		Osage Plant							
34	310	Land	162,804	162,804	162,804	162,804	162,804	162,804	162,804
35	311	Structures and Improvements	4,233,378	4,233,378	4,233,378	4,233,378	4,233,378	4,233,378	4,233,378
36	312	Boiler Plant Equipment	7,454,702	7,454,702	7,454,702	7,454,702	7,454,702	7,454,702	7,454,702
37	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
38	314	Turbogenerator Units	4,780,168	4,780,168	4,780,168	4,780,168	4,780,168	4,780,168	4,780,168
39	315	Accessory Electric Equipment	1,054,888	1,054,888	1,054,888	1,054,888	1,054,888	1,054,888	1,054,888
40	316	Miscellaneous Power Plant Equipment	455,951	455,951	455,951	455,951	455,951	455,951	455,951
41		Total Osage Plant	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>
42									
43		Wygen 3							
44	310	Land	-	-	-	-	-	-	-
45	311	Structures and Improvements	6,799,494	6,799,494	6,799,494	6,799,494	6,799,494	6,799,494	6,799,494
46	312	Boiler Plant Equipment	57,576,410	57,553,513	57,553,513	57,567,754	57,567,607	57,567,607	57,723,521
47	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
48	314	Turbogenerator Units	58,398,560	58,398,596	58,398,596	58,398,596	58,398,596	58,356,332	59,368,892
49	315	Accessory Electric Equipment	6,737,220	6,737,220	6,737,220	6,737,220	6,737,220	6,740,678	6,740,678
50	316	Miscellaneous Power Plant Equipment	706,567	707,591	708,111	709,080	708,643	708,681	708,585
51		Total Wygen 3	<u>130,218,251</u>	<u>130,196,414</u>	<u>130,196,934</u>	<u>130,212,144</u>	<u>130,211,560</u>	<u>130,169,333</u>	<u>131,341,170</u>
52									

BLACK HILLS POWER, INC.
STEAM PRODUCTION BY PLANT
For the Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)
			September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013
53		Wyodak Plant							
54	310	Land	109,191	109,191	109,191	109,191	109,191	109,191	109,191
55	311	Structures and Improvements	9,180,943	9,164,990	9,164,990	9,164,990	9,159,359	9,159,359	9,159,359
56	312	Boiler Plant Equipment	77,742,946	76,635,515	76,635,515	76,887,888	76,714,216	76,714,216	76,714,216
57	313	Engines and Engine Driven Generator	343,438	341,748	341,748	341,748	341,748	341,748	341,748
58	314	Turbogenerator Units	15,234,133	15,067,201	15,067,201	15,192,791	15,109,260	15,109,260	15,109,260
59	315	Accessory Electric Equipment	6,650,094	6,616,783	6,616,783	6,616,783	6,616,783	6,616,783	6,616,783
60	316	Miscellaneous Power Plant Equipment	863,621	1,007,315	1,007,315	1,007,315	1,026,575	1,026,575	1,026,575
61		Total Wyodak Plant	<u>110,124,366</u>	<u>108,942,743</u>	<u>108,942,743</u>	<u>109,320,705</u>	<u>109,077,132</u>	<u>109,077,132</u>	<u>109,077,132</u>
62									
63		Totals							
64	310	Land	333,639	333,639	333,639	333,639	333,639	333,639	333,639
65	311	Structures and Improvements	40,609,395	40,552,237	40,552,237	40,575,748	40,569,508	40,602,084	40,602,084
66	312	Boiler Plant Equipment	240,971,167	239,520,160	239,518,672	239,977,812	239,959,890	240,124,654	240,257,196
67	313	Engines and Engine Driven Generator	343,438	341,748	341,748	341,748	341,748	341,748	341,748
68	314	Turbogenerator Units	127,733,309	127,610,550	127,607,928	127,778,736	127,884,359	126,447,427	127,459,987
69	315	Accessory Electric Equipment	25,041,347	25,008,035	25,037,612	24,928,903	24,928,903	24,928,903	24,932,361
70	316	Miscellaneous Power Plant Equipment	3,788,298	3,933,279	3,933,798	3,934,767	3,889,998	3,886,209	3,886,114
71		Total All Plants	<u>\$ 438,820,593</u>	<u>\$ 437,299,649</u>	<u>\$ 437,325,635</u>	<u>\$ 437,871,353</u>	<u>\$ 437,908,045</u>	<u>\$ 436,664,664</u>	<u>\$ 437,813,129</u>

BLACK HILLS POWER, INC.
STEAM PRODUCTION BY PLANT
For the Test Year Ended September 30, 2013

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Line No.	FERC Acct. #	Description	(h) April 2013	(i) May 2013	(j) June 2013	(k) July 2013	(l) August 2013	(m) September 2013	(n) [[Sum of (a)-(m)]/13] 13 Month Average
1		STEAM PRODUCTION PLANT							
2									
3		Ben French							
4	310	Land	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680	\$ 52,680
5	311	Structures and Improvements	2,251,067	2,251,067	2,251,067	2,251,067	2,251,067	2,251,067	2,251,067
6	312	Boiler Plant Equipment	6,842,536	6,842,536	6,842,536	6,842,536	6,842,536	6,842,536	6,842,536
7	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
8	314	Turbogenerator Units	3,956,116	3,956,116	3,956,116	3,956,116	3,956,116	3,956,116	3,956,116
9	315	Accessory Electric Equipment	756,487	756,487	756,487	756,487	756,487	756,487	756,487
10	316	Miscellaneous Power Plant Equipment	461,438	461,438	461,438	461,438	461,438	461,438	461,438
11		Total Ben French	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>	<u>14,320,323</u>
12									
13		Neil Simpson I							
14	310	Land	1,000	1,000	1,000	1,000	1,000	1,000	1,000
15	311	Structures and Improvements	2,263,790	2,263,790	2,263,790	2,263,790	2,263,790	2,263,790	2,263,790
16	312	Boiler Plant Equipment	14,349,004	14,349,004	14,346,318	14,346,318	14,339,945	14,339,945	14,340,710
17	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
18	314	Turbogenerator Units	3,916,967	3,916,967	3,916,967	3,916,967	3,916,967	3,916,967	3,916,967
19	315	Accessory Electric Equipment	1,334,432	1,334,432	1,334,432	1,334,432	1,334,432	1,334,432	1,334,432
20	316	Miscellaneous Power Plant Equipment	424,995	424,995	424,995	424,995	427,889	427,889	425,440
21		Total Neil Simpson I	<u>22,290,188</u>	<u>22,290,188</u>	<u>22,287,503</u>	<u>22,287,503</u>	<u>22,284,024</u>	<u>22,284,024</u>	<u>22,286,827</u>
22									
23		Neil Simpson II							
24	310	Land	7,965	7,965	7,965	7,965	7,965	7,965	7,965
25	311	Structures and Improvements	15,894,997	15,869,667	15,869,667	16,179,389	16,261,378	16,261,378	15,950,257
26	312	Boiler Plant Equipment	77,173,217	77,122,852	77,152,402	77,157,757	76,979,027	76,957,255	77,021,405
27	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
28	314	Turbogenerator Units	40,328,584	40,328,584	40,328,584	40,328,584	40,197,463	40,257,171	40,777,787
29	315	Accessory Electric Equipment	8,429,093	8,429,093	7,942,442	8,135,656	8,135,656	8,124,812	8,343,644
30	316	Miscellaneous Power Plant Equipment	808,569	808,569	830,241	834,744	860,973	890,656	843,614
31		Total Neil Simpson II	<u>142,642,425</u>	<u>142,566,730</u>	<u>142,131,301</u>	<u>142,644,096</u>	<u>142,442,461</u>	<u>142,499,236</u>	<u>142,944,673</u>
32									
33		Osage Plant							
34	310	Land	162,804	162,804	162,804	162,804	162,804	162,804	162,804
35	311	Structures and Improvements	4,233,378	4,233,378	4,233,378	4,233,378	4,233,378	4,233,378	4,233,378
36	312	Boiler Plant Equipment	7,454,702	7,454,702	7,454,702	7,454,702	7,454,702	7,454,702	7,454,702
37	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
38	314	Turbogenerator Units	4,780,168	4,780,168	4,780,168	4,780,168	4,780,168	4,780,168	4,780,168
39	315	Accessory Electric Equipment	1,054,888	1,054,888	1,054,888	1,054,888	1,054,888	1,054,888	1,054,888
40	316	Miscellaneous Power Plant Equipment	455,951	455,951	455,951	455,951	455,951	455,951	455,951
41		Total Osage Plant	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>	<u>18,141,890</u>
42									
43		Wygen 3							
44	310	Land	-	-	-	-	-	-	-
45	311	Structures and Improvements	6,799,494	6,799,494	6,799,494	6,799,494	6,799,494	6,799,494	6,799,494
46	312	Boiler Plant Equipment	57,821,459	57,842,339	57,891,174	57,891,137	57,946,067	57,944,229	57,726,641
47	313	Engines and Engine Driven Generator	-	-	-	-	-	-	-
48	314	Turbogenerator Units	59,381,558	59,576,311	59,739,840	59,746,657	59,709,445	59,706,251	59,044,479
49	315	Accessory Electric Equipment	6,740,687	6,740,687	6,740,687	6,740,687	6,740,687	6,740,687	6,739,086
50	316	Miscellaneous Power Plant Equipment	708,585	708,585	708,585	708,585	716,894	716,894	709,645
51		Total Wygen 3	<u>131,451,782</u>	<u>131,667,415</u>	<u>131,879,780</u>	<u>131,886,559</u>	<u>131,912,586</u>	<u>131,907,554</u>	<u>131,019,345</u>
52									

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BLACK HILLS POWER, INC.
STEAM PRODUCTION BY PLANT
For the Test Year Ended September 30, 2013

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Line No.	FERC Acct. #	Description	(h)	(i)	(j)	(k)	(l)	(m)	(n)
			April 2013	May 2013	June 2013	July 2013	August 2013	September 2013	[(Sum of (a)-(m))/13]
53		Wyodak Plant							
54	310	Land	109,191	109,191	109,191	109,191	109,191	109,191	109,191
55	311	Structures and Improvements	9,159,359	9,159,359	9,159,359	9,158,962	9,158,962	9,158,962	9,162,227
56	312	Boiler Plant Equipment	76,714,216	76,707,028	76,834,246	76,649,839	76,649,839	76,649,839	76,788,425
57	313	Engines and Engine Driven Generator	341,748	341,748	341,748	341,748	341,748	341,748	341,878
58	314	Turbogenerator Units	15,109,260	15,128,661	15,128,661	15,052,016	15,052,016	15,052,016	15,108,595
59	315	Accessory Electric Equipment	6,616,783	6,616,783	6,616,783	6,605,359	6,605,359	6,605,359	6,616,709
60	316	Miscellaneous Power Plant Equipment	1,026,575	1,026,575	1,026,575	1,026,658	1,026,658	1,026,658	1,009,615
61		Total Wyodak Plant	<u>109,077,132</u>	<u>109,039,344</u>	<u>109,216,563</u>	<u>108,943,773</u>	<u>108,943,773</u>	<u>108,943,773</u>	<u>109,136,639</u>
62									
63		Totals							
64	310	Land	333,639	333,639	333,639	333,639	333,639	333,639	333,639
65	311	Structures and Improvements	40,602,084	40,576,754	40,576,754	40,886,079	40,968,068	40,968,068	40,664,700
66	312	Boiler Plant Equipment	240,355,133	240,318,460	240,521,378	240,342,289	240,212,116	240,188,506	240,174,418
67	313	Engines and Engine Driven Generator	341,748	341,748	341,748	341,748	341,748	341,748	341,878
68	314	Turbogenerator Units	127,472,653	127,636,807	127,850,336	127,780,508	127,612,175	127,668,688	127,584,112
69	315	Accessory Electric Equipment	24,932,370	24,932,370	24,445,719	24,627,509	24,627,509	24,616,665	24,845,247
70	316	Miscellaneous Power Plant Equipment	3,886,114	3,836,114	3,907,785	3,912,371	3,949,803	3,979,486	3,905,703
71		Total All Plants	<u>\$ 437,923,741</u>	<u>\$ 438,075,891</u>	<u>\$ 437,977,359</u>	<u>\$ 438,224,143</u>	<u>\$ 438,045,057</u>	<u>\$ 438,096,800</u>	<u>\$ 437,849,697</u>

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BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2008

Schedule D-4 2008
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Line No.	Work Order	Description	Amount	Start Date	Period Closed
1		PRODUCTION			
2	VARIOUS	VARIOUS UNDER \$100,000	492,001	VARIOUS	VARIOUS
3	16698	BHP'S SHARE OF WYODAK 1 (COMPLETED PROJECTS)	182,740	9/3/2003	1
4	16698	BHP'S SHARE OF WYODAK 1 (COMPLETED PROJECTS)	267,864	9/3/2003	4
5	16698	BHP'S SHARE OF WYODAK 1 (COMPLETED PROJECTS)	192,073	9/3/2003	8
6	16948	BEN FRENCH-OVERHEAD CRANE UPGRADE	134,077	1/24/2007	10
7	16980	BEN F STATIC EXCITER UPGRADE (also see 2008-50088)	110,420	8/3/2007	8
8	17013	NSCT#1-INLINE GAS HEATER	136,241	1/23/2008	10
9	17055	OSAGE-REWIND OF #2 GENERATOR FIELD	313,906	4/4/2008	9
10	17074	BEN FRENCH-REPL TUBES ON MAIN CONDENSER	452,857	4/25/2008	11
11	17112	NSCT#1-GEAR BOX/CLUTCH REPLACEMENT	154,410	7/1/2008	10
12		TOTAL MAJOR ADDITIONS	<u>2,436,589</u>		
13					
14	VARIOUS	FERC ACCT 311	(31,964)	VARIOUS	VARIOUS
15	VARIOUS	FERC ACCT 312	(213,821)	VARIOUS	VARIOUS
16	VARIOUS	FERC ACCT 314	(152,219)	VARIOUS	VARIOUS
17	VARIOUS	FERC ACCT 315	(27,661)	VARIOUS	VARIOUS
18	VARIOUS	FERC ACCT 316	(6,826)	VARIOUS	VARIOUS
19	VARIOUS	FERC ACCT 344	(130,003)	VARIOUS	VARIOUS
20		TOTAL MAJOR RETIREMENTS	<u>(562,495)</u>		
21					
22		TRANSMISSION			
23	VARIOUS	VARIOUS UNDER \$100,000	232,845	VARIOUS	VARIOUS
24	87543	PREL.,CUSTER-HILL CITY 69KV REBUILD	1,078,205	6/13/2003	12
25		TOTAL MAJOR ADDITIONS	<u>1,311,050</u>		
26					
27	VARIOUS	FERC ACCT 353	(40,909)	VARIOUS	VARIOUS
28	VARIOUS	FERC ACCT 355	(32,869)	VARIOUS	VARIOUS
29	VARIOUS	FERC ACCT 356	(61,670)	VARIOUS	VARIOUS
30		TOTAL MAJOR RETIREMENTS	<u>(135,448)</u>		
31					
32		DISTRIBUTION			
33	VARIOUS	VARIOUS UNDER \$100,000	4,471,534	VARIOUS	VARIOUS
34	15272	LAWRENCE CO BLANKET	101,429	5/23/1994	4
35	15272	LAWRENCE CO BLANKET	135,783	5/23/1994	10
36	15273	PENNINGTON COUNTY BLANKET	273,681	12/10/1994	4
37	15273	PENNINGTON COUNTY BLANKET	195,488	12/10/1994	7
38	15273	PENNINGTON COUNTY BLANKET	233,470	12/10/1994	10
39	15273	PENNINGTON COUNTY BLANKET	135,902	12/10/1994	12
40	16631	TRANSFORMER BWO 2003,04,05,06,07,08	443,463	1/2/2003	2
41	16631	TRANSFORMER BWO 2003,04,05,06,07,08	197,692	1/2/2003	3
42	16631	TRANSFORMER BWO 2003,04,05,06,07,08	185,956	1/2/2003	4
43	16631	TRANSFORMER BWO 2003,04,05,06,07,08	240,050	1/2/2003	5
44	16631	TRANSFORMER BWO 2003,04,05,06,07,08	167,332	1/2/2003	6
45	16631	TRANSFORMER BWO 2003,04,05,06,07,08	117,571	1/2/2003	7
46	16631	TRANSFORMER BWO 2003,04,05,06,07,08	162,319	1/2/2003	8
47	16631	TRANSFORMER BWO 2003,04,05,06,07,08	172,039	1/2/2003	9
48	16631	TRANSFORMER BWO 2003,04,05,06,07,08	227,244	1/2/2003	11
49	16938	BHP METER BLANKET 2009,2008,2007	347,779	1/9/2007	5
50	87856	SPRUCE GULCH TO WHITEWOOD 69KV	3,645,217	9/5/2003	12
51	89961	IRON CREEK-SPEARFISH ROAD 69/24.9KV,PREL	760,835	12/3/2004	9
52	90664	RAMKOTA CONVENTION CENTER	346,659	5/13/2005	9
53	91993	DESIGN FOR SPEARFISH HYDRO 12.47KV SUB	1,111,393	4/21/2006	3
54	92433	THE TIMBERS SUBDIVISION	158,770	8/22/2006	4
55	92993	SPEARFISH PARK GETAWAY CIRCUITS	453,445	1/11/2007	3
56	93013	HWY 79 ROAD MOVE PHS I (BLKHWK-PDMNT)	128,836	1/18/2007	9
57	94098	69KV BREAKER REPLACEMENT AT LOOKOUT SUB	277,854	12/11/2007	11
58		TOTAL MAJOR ADDITIONS	<u>14,691,744</u>		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2008

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Line No.	Work Order	Description	Amount	Start Date	Period Closed
59		DISTRIBUTION			
60	VARIOUS	FERC ACCT 360	(2,482)	VARIOUS	VARIOUS
61	VARIOUS	FERC ACCT 362	(264,709)	VARIOUS	VARIOUS
62	VARIOUS	FERC ACCT 364	(532,203)	VARIOUS	VARIOUS
63	VARIOUS	FERC ACCT 365	(326,440)	VARIOUS	VARIOUS
64	VARIOUS	FERC ACCT 367	(72,373)	VARIOUS	VARIOUS
65	VARIOUS	FERC ACCT 368	(209,124)	VARIOUS	VARIOUS
66	VARIOUS	FERC ACCT 369	(9,107)	VARIOUS	VARIOUS
67	VARIOUS	FERC ACCT 370	(2,699,117)	VARIOUS	VARIOUS
68	VARIOUS	FERC ACCT 371	(9,598)	VARIOUS	VARIOUS
69	VARIOUS	FERC ACCT 373	(9,536)	VARIOUS	VARIOUS
70		TOTAL MAJOR RETIREMENTS	<u>(4,134,689)</u>		
71					
72		GENERAL			
73	VARIOUS	VARIOUS UNDER \$100,000	931,531	VARIOUS	VARIOUS
74	91002	MAYER RADIO MICROWAVE SYSTEM	711,793	8/11/2005	9
75	91003	MAYER RADIO TRUNK RADIO SYSTEM	2,657,267	8/11/2005	9
76	93140	SANDERS RANCH - DEVELOP TOWER SITE	283,472	2/26/2007	4
77		TOTAL MAJOR ADDITIONS	<u>4,584,064</u>		
78					
79	VARIOUS	FERC ACCT 390	(13,548)	VARIOUS	VARIOUS
80	VARIOUS	FERC ACCT 391	12,095	VARIOUS	VARIOUS
81	VARIOUS	FERC ACCT 392	(126,895)	VARIOUS	VARIOUS
82	VARIOUS	FERC ACCT 394	(52,821)	VARIOUS	VARIOUS
83	VARIOUS	FERC ACCT 395	(53,950)	VARIOUS	VARIOUS
84	VARIOUS	FERC ACCT 397	(576,526)	VARIOUS	VARIOUS
85		TOTAL MAJOR RETIREMENTS	<u>(811,645)</u>		
86					
87					
88		Grand Total	<u>17,379,170</u>		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2009

Schedule D-4 2009
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Line No.	Work Order	Description	Amount	Start Date	Period Closed
1		PRODUCTION			
2	VARIOUS	VARIOUS UNDER \$100,000	732,499	VARIOUS	VARIOUS
3	99153075	NS1-ASH BARGE RETAINING WALL	105,667	2/17/2009	12
4	99151231	NSCT1-S-5 BLOCK UPGRADE	114,130	2/17/2009	10
5	99150073	BEN FRENCH-ASH POND LINING	225,943	2/17/2009	9
6	99150087	BEN FRENCH-TURBINE UPGRADE	336,510	2/17/2009	10
7	99150008	ASHPOND, GENERATOR	386,172	2/17/2009	9
8	99151234	NSCT#1-PRE-MIXER/FUEL SYSTEM CLEANI	542,173	2/17/2009	12
9	99155012	BHPS SHARE OF WYODAK I CAPITAL	1,155,752	2/17/2009	2
10	99150008	HIGH PRESSURE TURBINE	3,220,506	2/17/2009	8
11	99154144	NS2-ACC EXPANSION-NSC	8,259,558	2/17/2009	5
12		TOTAL MAJOR ADDITIONS	15,078,910		
13					
14	VARIOUS	FERC ACCT 311	(277,476)	VARIOUS	VARIOUS
15	VARIOUS	FERC ACCT 312	(333,334)	VARIOUS	VARIOUS
16	VARIOUS	FERC ACCT 314	(64,646)	VARIOUS	VARIOUS
17	VARIOUS	FERC ACCT 316	(1,749)	VARIOUS	VARIOUS
18	VARIOUS	FERC ACCT 342	(131,849)	VARIOUS	VARIOUS
19	VARIOUS	FERC ACCT 344	(2,643,127)	VARIOUS	VARIOUS
20	VARIOUS	FERC ACCT 345	(3,000)	VARIOUS	VARIOUS
21		TOTAL MAJOR RETIREMENTS	(3,455,181)		
22					
23		TRANSMISSION			
24	VARIOUS	VARIOUS UNDER \$100,000	90,836	VARIOUS	VARIOUS
25	99157710	LKO SUB 230KV TRANSFORMER ADDN	109,182	8/29/2007	5
26	99156250	230KV BREAKER REPLACEMENT	117,208	2/17/2009	4
27	99156226	HTM 230KV	120,720	2/17/2009	6
28	99156225	ROW FIRST CLEARING 230KV	130,705	2/17/2009	6
29	99156257	NERC CIP COMPLIANCE	183,317	2/17/2009	5
30	99156251	WYGEN III-230KV SUB ADDITION (DONKE	4,531,907	1/24/2007	10
31	99156252	DONKEY CREEK TO PUMPKIN BUTTES 230K	11,244,045	2/17/2009	11
32		TOTAL MAJOR ADDITIONS	16,527,918		
33					
34	VARIOUS	FERC ACCT 353	(153,722)	VARIOUS	VARIOUS
35		TOTAL MAJOR RETIREMENTS	(153,722)		
36					
37		DISTRIBUTION			
38	VARIOUS	VARIOUS UNDER \$100,000	891,378	VARIOUS	VARIOUS
39	99157019	CUSTER COUNTY BLANKET	116,293	2/17/2009	12
40	99157231	CUSTER CONV., NEW CKT & BKR REPL	125,958	2/17/2009	6
41	99157006	REPLACE AND STUB DISTRIBUTION POLES	135,221	2/17/2009	7
42	99156259	REPLACE WEST HILL SUB REACTOR BANK	154,269	1/8/2009	4
43	99157017	BUTTE COUNTY BLANKET	160,938	3/3/2008	6
44	99157722	PACTOLA SUB CAPACITOR BANK	172,057	9/24/2008	11
45	99157701	REPLACE 69KV BREAKERS	191,651	1/19/2009	1
46	99157715	EDGEMONT 69KV CAPACITOR ADDITION	204,431	2/17/2009	6
47	99157222	BENCHMARK TO NEMO REBUILD	205,357	2/17/2009	7
48	99157210	RECONDUCTOR 2S67	220,481	2/17/2009	4
49	99157140	HAZARD TREE MITIGATION/DIST.	262,403	8/16/2008	1
50	99157016	MEADE COUNTY BLANKET	271,237	2/17/2009	9
51	99157000	LAWRENCE COUNTY BLANKET PROJECT	383,216	2/17/2009	7
52	99157012	ROAD IMPROVEMENTS PROJECTS	447,456	1/1/2009	9
53	99157076	SPEARFISH VOLTAGE CONVERSION	458,563	8/6/2006	6
54	99157007	REPLACE UNDERGROUND	468,877	12/11/1998	1
55	99157003	METER BLANKET	608,165	2/17/2009	3
56	99157015	PENNINGTON COUNTY BLANKET	801,924	10/30/2008	1
57	99157009	BETTERMENT PROJECT < \$25000	906,827	3/11/1994	6
58	99157230	NE RC SUB ADDITION	1,039,803	2/17/2009	6
59	99157002	BLANKET PROJECT - TRANSFORMERS	1,154,030	2/17/2009	5
60	99157001	CUSTOMER PROJECTS OVER \$5000	2,588,332	3/11/1994	7
61	99157710	LKO SUB 230KV TRANSFORMER ADDN	3,052,703	8/29/2007	5
62		TOTAL MAJOR ADDITIONS	15,021,571		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2009

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Line No.	Work Order	Description	Amount	Start Date	Period Closed
63		DISTRIBUTION			
64	VARIOUS	FERC ACCT 362	(229,670)	VARIOUS	VARIOUS
65	VARIOUS	FERC ACCT 364	(91,560)	VARIOUS	VARIOUS
66	VARIOUS	FERC ACCT 365	(137,018)	VARIOUS	VARIOUS
67	VARIOUS	FERC ACCT 366	(29,330)	VARIOUS	VARIOUS
68	VARIOUS	FERC ACCT 367	(137,299)	VARIOUS	VARIOUS
69	VARIOUS	FERC ACCT 368	(189,988)	VARIOUS	VARIOUS
70	VARIOUS	FERC ACCT 369	(6,550)	VARIOUS	VARIOUS
71	VARIOUS	FERC ACCT 370	(141,888)	VARIOUS	VARIOUS
72	VARIOUS	FERC ACCT 371	(5,599)	VARIOUS	VARIOUS
73	VARIOUS	FERC ACCT 373	(13,672)	VARIOUS	VARIOUS
74		TOTAL MAJOR RETIREMENTS	<u>(982,574)</u>		
75					
76		GENERAL			
77	VARIOUS	VARIOUS UNDER \$100,000	596,174	VARIOUS	VARIOUS
78	99159958	DEADWOOD-PURCHASE NEW SNOW MACHINE	122,355	10/30/2008	7
79	99159795	MOBILE RADIO ADDITIONS	165,286	10/24/2008	6
80	99159088	PC PURCHASES	168,779	2/17/2009	9
81	99155012	BHPS SHARE OF WYODAK I CAPITAL	232,709	2/17/2009	2
82	99158019	GENERAL FACILITIES CONSTRUCTION BLA	247,217	2/17/2009	12
83	99154129	NS2-CMMS SYSTEM	531,024	2/17/2009	6
84	99158002	TRANSPORTATION BLANKET	1,101,655	11/4/2008	7
85		TOTAL MAJOR ADDITIONS	<u>3,165,198</u>		
86					
87	VARIOUS	FERC ACCT 390	(289,344)	VARIOUS	VARIOUS
88	VARIOUS	FERC ACCT 391	(55,539)	VARIOUS	VARIOUS
89	VARIOUS	FERC ACCT 392	(456,297)	VARIOUS	VARIOUS
90	VARIOUS	FERC ACCT 397	(1,782)	VARIOUS	VARIOUS
91		TOTAL MAJOR RETIREMENTS	<u>(802,962)</u>		
92					
93					
94		Grand Total	<u><u>44,399,158</u></u>		

BLACK HILLS POWER, INC.
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For the Year Ended December 31, 2010

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Line No.	Work Order	Description	Amount	Start Date	Period Closed
1		PRODUCTION			
2	VARIOUS	VARIOUS UNDER \$100,000	(40,960)	VARIOUS	VARIOUS
3	99152067	OSAGE OUTFALL UPGRADE	121,590	10/20/2008	9
4	99154155	NS2-CDS DOSING VALVE PROJECT	127,197	11/3/2008	9
5	99150008	PRODUCTION CONTINGENCY	185,243	1/29/2009	2
6	99154139	NS2-MERCURY CEMS	263,430	12/8/2008	2
7	99153080	NS1-REPLACE PRECIPITATOR ROOF	630,309	12/1/2008	9
8	99154153	NS2-BOILER WATERWALL REPLACEMENT	722,915	11/12/2008	9
9	99154145	BHSC-NSC-WELL #15	799,364	6/27/2008	6
10	99153083	NS1-TURBINE MAJOR OVERHAUL-CAPITAL	822,176	2/24/2009	9
11	99155012	BHPS SHARE OF WYODAK I CAPITAL	1,036,073	3/30/2004	2
12	99154148	NS2-STEAM TURBINE DIAPHRAGM UPGRADE	1,248,042	2/10/2009	6
13	99153081	NS1-BOILER MAJOR MTC-CAPITAL	1,857,786	9/19/2008	9
14		TOTAL MAJOR ADDITIONS	<u>7,773,165</u>		
15					
16	VARIOUS	FERC ACCT 311	(14,793)	VARIOUS	VARIOUS
17	VARIOUS	FERC ACCT 312	(1,926,356)	VARIOUS	VARIOUS
18	VARIOUS	FERC ACCT 314	(706,747)	VARIOUS	VARIOUS
19	VARIOUS	FERC ACCT 315	(7,797)	VARIOUS	VARIOUS
20	VARIOUS	FERC ACCT 316	(14,022)	VARIOUS	VARIOUS
21	VARIOUS	FERC ACCT 345	(22,322)	VARIOUS	VARIOUS
22		TOTAL MAJOR RETIREMENTS	<u>(2,692,037)</u>		
23					
24		TRANSMISSION			
25	VARIOUS	VARIOUS UNDER \$100,000	137,722	VARIOUS	VARIOUS
26	99156258	SO RC 230KV CAPACITOR BANKS	2,294,908	1/19/2009	12
27		TOTAL MAJOR ADDITIONS	<u>2,432,630</u>		
28					
29	VARIOUS	FERC ACCT 355	(6,182)	VARIOUS	VARIOUS
30		TOTAL MAJOR RETIREMENTS	<u>(6,182)</u>		
31					
32		DISTRIBUTION			
33	VARIOUS	VARIOUS UNDER \$100,000	556,773	VARIOUS	VARIOUS
34	99157197	ROW CLEARING 69KV	106,471	7/3/2008	4
35	99157140	HAZARD TREE MITIGATION/DIST.	107,295	4/28/2008	9
36	99157249	RECONDUCTOR LACROSSE STREET	119,738	12/10/1994	10
37	99157000	LAWRENCE COUNTY BLANKET PROJECT	158,706	5/23/1994	7
38	99157248	RECONDUCTOR SOUTH CANYON RD	178,377	12/10/1994	9
39	99157210	RECONDUCTOR 2567	198,667	12/8/2008	9
40	99157231	FALL RIVER HOSPITAL DIST RECONDUCTO	239,682	4/30/1994	7
41	99157002	BLANKET PROJECT - TRANSFORMERS	275,593	8/8/1995	5
42	99157012	ROAD IMPROVEMENTS PROJECTS	279,313	3/11/1994	9
43	99157007	REPLACE UNDERGROUND	290,809	12/10/1994	1
44	99157015	PENNINGTON COUNTY BLANKET	300,528	12/10/1994	1
45	99157223	NEWELL TO VALE REBUILD	342,997	8/27/2004	7
46	99157234	FALL RIVER HOSPITAL DIST RECONDUCTO	358,669	4/30/1994	5
47	99157006	REPLACE AND STUB DISTRIBUTION POLES	361,670	3/11/1994	6
48	99157003	METER BLANKET	563,563	2/1/2008	3
49	99157009	BETTERMENT PROJECT < \$25000	687,405	3/11/1994	12
50	99157714	WHITEWOOD SUB 69KV BREAKER ADDITION	687,620	8/30/2007	9
51	99157076	SPEARFISH VOLTAGE CONVERSION	841,695	5/23/1994	4
52	99157001	CUSTOMER PROJECTS OVER \$5000	1,123,457	3/11/1994	1
53	99156006	TRANSMISSION CONTINGENCY	1,562,695	3/18/2009	4
54	99157718	REPL 230KV/69KV XFMR #2 AT LANGE SU	2,836,740	8/19/2008	9
55	99157700	WINDY FLATS-PACTOLA 69KV LINE REBU	3,407,685	1/8/2009	10
56		TOTAL MAJOR ADDITIONS	<u>15,586,148</u>		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2010

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Line No.	Work Order	Description	Amount	Start Date	Period Closed
57		DISTRIBUTION			
58	VARIOUS	FERC ACCT 362	(88,991)	VARIOUS	VARIOUS
59	VARIOUS	FERC ACCT 364	(503,997)	VARIOUS	VARIOUS
60	VARIOUS	FERC ACCT 365	(171,422)	VARIOUS	VARIOUS
61	VARIOUS	FERC ACCT 366	(36,717)	VARIOUS	VARIOUS
62	VARIOUS	FERC ACCT 367	(83,193)	VARIOUS	VARIOUS
63	VARIOUS	FERC ACCT 368	(271,741)	VARIOUS	VARIOUS
64	VARIOUS	FERC ACCT 369	(5,457)	VARIOUS	VARIOUS
65	VARIOUS	FERC ACCT 370	(7,734,738)	VARIOUS	VARIOUS
66	VARIOUS	FERC ACCT 371	(2,221)	VARIOUS	VARIOUS
67	VARIOUS	FERC ACCT 373	(5,324)	VARIOUS	VARIOUS
68		TOTAL MAJOR RETIREMENTS	<u>(8,903,801)</u>		
69					
70		GENERAL			
71	VARIOUS	VARIOUS UNDER \$100,000	412,193	VARIOUS	VARIOUS
72	99158002	TRANSPORTATION BLANKET	266,059	9/5/2008	6
73	99158010	FURNITURE BLANKET	297,157	1/6/2009	4
74		TOTAL MAJOR ADDITIONS	<u>975,409</u>		
75					
76	VARIOUS	FERC ACCT 391	(19,740)	VARIOUS	VARIOUS
77	VARIOUS	FERC ACCT 392	(245,105)	VARIOUS	VARIOUS
78	VARIOUS	FERC ACCT 394	(197,808)	VARIOUS	VARIOUS
79	VARIOUS	FERC ACCT 397	(3,792)	VARIOUS	VARIOUS
80		TOTAL MAJOR RETIREMENTS	<u>(466,445)</u>		
81					
82					
83		Grand Total	<u><u>14,698,887</u></u>		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2011

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Line No.	Work Order	Description	Amount	Start Date	Period Closed
1		PRODUCTION			
2	VARIOUS	VARIOUS UNDER \$100,000	1,285,732	VARIOUS	VARIOUS
3	99154215	NS2-"B" PULVERIZER ROLL WHEEL REPLA	121,497	8/11/2009	10
4	99153084	NS1-CONDENSER FAN DRIVE UPGRADE	132,054	1/1/2011	7
5	99154182	NS2-REPL FAILING BATTERY STRING	137,180	9/1/2009	7
6	10040169	NS1-STACK UPGRADES	236,052	2/17/2009	2
7	99154204	NS2-PULV 1B WEAR COMPONENTS-MAJOR	324,385	2/17/2009	9
8	99153082	NS1-POWER CENTER UPGRADE	656,400	2/17/2009	8
9	10041974	NSCT1-REPL GEARBOX/REPAIR ENGINE	874,501	9/1/2009	2
10	99154146	BHSC-NSC-WATER TREAT SYSTEM EQUIP	1,130,140	2/17/2009	8
11	99154147	BHSC-NSC-NEW ADMIN BUILDING	1,620,885	2/17/2009	7
12	99155012	BHPS SHARE OF WYODAK I CAPITAL	10,397,483	2/17/2009	1
13	99155012	SO2 and PM Emission Control Upgrade	25,007,134	2/17/2009	1
14	99155012	NOX Clean Air Initiative	2,552,915	2/17/2009	1
15		TOTAL MAJOR ADDITIONS	<u>44,476,358</u>		
16					
17	VARIOUS	FERC ACCT 310	(302)	VARIOUS	VARIOUS
18	VARIOUS	FERC ACCT 311	(166,496)	VARIOUS	VARIOUS
19	VARIOUS	FERC ACCT 312	(9,853,857)	VARIOUS	VARIOUS
20	VARIOUS	FERC ACCT 314	(1,726,137)	VARIOUS	VARIOUS
21	VARIOUS	FERC ACCT 315	(392,168)	VARIOUS	VARIOUS
22	VARIOUS	FERC ACCT 316	(44,236)	VARIOUS	VARIOUS
23	VARIOUS	FERC ACCT 342	(10,000)	VARIOUS	VARIOUS
24	VARIOUS	FERC ACCT 344	(310,176)	VARIOUS	VARIOUS
25		TOTAL MAJOR RETIREMENTS	<u>(12,503,372)</u>		
26					
27		TRANSMISSION			
28	VARIOUS	VARIOUS UNDER \$100,000	157,576	VARIOUS	VARIOUS
29	99156006	TRANSMISSION CONTINGENCY	105,033	2/17/2009	6
30	99156276	DEVELOP/IMPLEMENT OATI (FERC & NERC	108,277	6/23/2009	10
31	99156250	230KV BREAKER REPLACEMENT	115,483	2/22/2010	11
32	99155503	WYGEN 3-EQUIPMENT PROCUREMENT	298,888	2/17/2009	6
33	99159092	7 CORE SYSTEMS UNIFICATION PROJECT-	613,707	2/17/2009	7
34	99156272	WYGEN 1/WYODAK 230KV TO DONKEY CREE	988,382	9/16/2009	1
35	99156271	DONKEY CREEK SUB BAY ADDITION	1,512,718	1/19/2009	10
36	99156254	PUMPKIN BUTTE TO CASPER/DJ 230KV LI	22,255,857	10/26/2006	7
37		TOTAL MAJOR ADDITIONS	<u>26,155,921</u>		
38					
39	VARIOUS	FERC ACCT 350	(156,441)	VARIOUS	VARIOUS
40	VARIOUS	FERC ACCT 353	(1,720,812)	VARIOUS	VARIOUS
41	VARIOUS	FERC ACCT 355	(38,415)	VARIOUS	VARIOUS
42		TOTAL MAJOR RETIREMENTS	<u>(1,915,668)</u>		

BLACK HILLS POWER, INC.
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Line No.	Work Order	Description	Amount	Start Date	Period Closed
43		DISTRIBUTION			
44	VARIOUS	VARIOUS UNDER \$100,000	484,622	VARIOUS	VARIOUS
45	99157724	LANGE TO STURGIS 69KV	104,031	2/5/2010	12
46	10040064	Inv New Cust Undg svc/Meter Enclos	109,446	2/17/2009	7
47	99157018	FALL RIVER COUNTY BLANKET	110,264	9/10/2009	6
48	99157133	OH DISTRIBUTION RELIABILITY	110,373	2/5/2010	11
49	10040059	Inv New Cust Elec Strt Lt Blanket	114,127	3/3/2008	6
50	99157017	BUTTE COUNTY BLANKET	120,155	2/17/2009	6
51	99157007	REPLACE UNDERGROUND	122,583	7/16/2010	4
52	99157174	HTM 69KV	133,426	7/16/2010	12
53	99157197	ROW CLEARING 69KV	139,727	7/11/2009	12
54	99157140	HAZARD TREE MITIGATION/DIST.	142,209	2/17/2009	6
55	99157012	ROAD IMPROVEMENTS PROJECTS	147,637	2/17/2009	10
56	99157019	CUSTER COUNTY BLANKET	155,051	2/17/2009	12
57	99157016	MEADE COUNTY BLANKET	190,733	9/11/2009	9
58	99157243	RECONDUCTOR NEW 404, DIST 4.16KV	200,955	2/17/2009	8
59	99157003	METER BLANKET	231,344	10/4/2010	8
60	10040420	OSAGE 69KV VOLTAGE SUPPORT	233,031	2/5/2010	11
61	10040054	Repl Elec ext or Gas Mains Blanket	246,714	1/27/2010	6
62	99157245	REPL RECT. WOUND DIST SUB XFMR	279,000	7/11/2009	12
63	99157240	WEST CHICAGO REBUILD	323,957	2/17/2009	6
64	99157000	LAWRENCE COUNTY BLANKET PROJECT	336,531	9/11/2009	2
65	99157006	REPLACE AND STUB DISTRIBUTION POLES	418,399	2/17/2009	5
66	99157225	MINNESOTA STREET FEEDER	606,597	12/1/2009	5
67	99157223	NEWELL TO VALE REBUILD	607,795	2/11/2009	6
68	99157002	BLANKET PROJECT - TRANSFORMERS	669,509	8/6/2006	5
69	99157015	PENNINGTON COUNTY BLANKET	846,707	2/17/2009	1
70	99157001	CUSTOMER PROJECTS OVER \$5000	849,891	9/8/2008	6
71	99157009	BETTERMENT PROJECT < \$25000	1,016,205	2/5/2010	6
72	99157716	WHITEWOOD TO PIEDMONT 69KV LINE REB	1,123,373	1/29/2010	12
73	10040058	Inv New Cust Elec Serv OH Blanket	1,220,097	2/5/2010	7
74	99156277	REPLACE 70MVA XFMR AT WYODAK SUB	1,562,774	2/17/2009	12
75		TOTAL MAJOR ADDITIONS	<u>12,957,263</u>		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2011

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Line No.	Work Order	Description	Amount	Start Date	Period Closed
76		DISTRIBUTION			
77	VARIOUS	FERC ACCT 362	(107,979)	VARIOUS	VARIOUS
78	VARIOUS	FERC ACCT 364	(205,581)	VARIOUS	VARIOUS
79	VARIOUS	FERC ACCT 365	(223,457)	VARIOUS	VARIOUS
80	VARIOUS	FERC ACCT 366	(23,722)	VARIOUS	VARIOUS
81	VARIOUS	FERC ACCT 367	(159,532)	VARIOUS	VARIOUS
82	VARIOUS	FERC ACCT 368	(418,408)	VARIOUS	VARIOUS
83	VARIOUS	FERC ACCT 369	(18,998)	VARIOUS	VARIOUS
84	VARIOUS	FERC ACCT 371	(12,814)	VARIOUS	VARIOUS
85	VARIOUS	FERC ACCT 373	(14,099)	VARIOUS	VARIOUS
86		TOTAL MAJOR RETIREMENTS	(1,184,590)		
87					
88		GENERAL			
89	VARIOUS	VARIOUS UNDER \$100,000	783,664	VARIOUS	VARIOUS
90	99154147	BHSC-NSC-NEW ADMIN BUILDING	104,099	4/8/2009	7
91	99155016	NSC - POWER DELIVERY CONTROL NETWORK	114,508	8/25/2009	12
92	99159865	BHP GIS MAPPING SYSTEM	189,434	5/10/2011	10
93	99158022	CAPITAL FACILITIES BLANKET-2010	395,639	5/6/2009	12
94	10040395	FLEET PURCHASED BHP	409,657	2/17/2009	1
95	99159093	POWERPLANT CAPITAL	512,882	2/17/2009	8
96	99159092	7 CORE SYSTEMS UNIFICATION PROJECT-	824,346	4/7/2010	10
97	99158002	TRANSPORTATION BLANKET	1,033,885	5/18/2011	6
98		TOTAL MAJOR ADDITIONS	4,368,113		
99					
100	VARIOUS	FERC ACCT 390	(14,461)	VARIOUS	VARIOUS
101	VARIOUS	FERC ACCT 391	(1,402,990)	VARIOUS	VARIOUS
102	VARIOUS	FERC ACCT 392	(257,722)	VARIOUS	VARIOUS
103	VARIOUS	FERC ACCT 393	(15,047)	VARIOUS	VARIOUS
104	VARIOUS	FERC ACCT 394	(1,133,272)	VARIOUS	VARIOUS
105	VARIOUS	FERC ACCT 395	(327,391)	VARIOUS	VARIOUS
106	VARIOUS	FERC ACCT 397	(267,831)	VARIOUS	VARIOUS
107	VARIOUS	FERC ACCT 398	(187,704)	VARIOUS	VARIOUS
108		TOTAL MAJOR RETIREMENTS	(3,606,418)		
109					
110					
111		Grand Total	68,747,607		

BLACK HILLS POWER, INC.
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Line No.	Work Order	Description	Amount	Start Date	Period Closed
1		PRODUCTION			
2	VARIOUS	VARIOUS UNDER \$100,000	\$ 754,119	VARIOUS	VARIOUS
3	10042616	NSCT1-HYD CONTROL UNIT REPL	103,042	8/8/2011	6
4	10040181	NSC COMMON-ARC FLASH-PHASE 2	107,734	6/3/2011	6
5	10040206	NSC COMMON-SERVER INFRASTRUCTURE UP	122,911	4/28/2011	12
6	10043825	BEN F CT NAT GAS PIPELINE	155,467	12/16/2011	6
7	10043153	NSC - POTABLE WATER TANK	198,307	10/25/2011	10
8	10044404	NS2-PULV ROLL WHEEL REPL	226,680	2/27/2012	9
9	10044925	NS2-TURBINE PACKING REPLACEMENT	277,053	5/7/2012	11
10	99154118	NS2-AIR HEATER BASKET REPLACEMENT	494,933	12/14/2011	9
11	99154177	NS2/WYGEN 1-PAC EQUIPMENT PROJECT	580,834	1/5/2009	8
12	10042502	NS2-TURB CNTRLS UPGRADE	763,825	12/16/2011	11
13	99155012	BHPS SHARE OF WYODAK I CAPITAL	1,185,678	VARIOUS	VARIOUS
14	10045075	NS2-GSU TRANSFORMER REPLACE	2,038,712	6/22/2012	12
15		TOTAL MAJOR ADDITIONS	\$ 7,009,294		
16					
17	VARIOUS	FERC ACCT 311	(85,125)	VARIOUS	VARIOUS
18	VARIOUS	FERC ACCT 312	(2,012,433)	VARIOUS	VARIOUS
19	VARIOUS	FERC ACCT 314	(880,484)	VARIOUS	VARIOUS
20	VARIOUS	FERC ACCT 315	(2,794)	VARIOUS	VARIOUS
21	VARIOUS	FERC ACCT 316	(42,750)	VARIOUS	VARIOUS
22	VARIOUS	FERC ACCT 342	(1,074)	VARIOUS	VARIOUS
23	VARIOUS	FERC ACCT 344	(105,546)	VARIOUS	VARIOUS
24		TOTAL MAJOR RETIREMENTS	\$ (3,130,206)		
25					
26		TRANSMISSION			
27	VARIOUS	VARIOUS UNDER \$100,000	383,781	VARIOUS	VARIOUS
28	99159949	NEW SERVICE CENTER	223,952	7/22/2008	10
29	99156249	NEW NORTHERN HILLS 230KV SUBSTATION	254,255	4/30/2009	4
30	99156006	TRANSMISSION CONTINGENCY	373,793	VARIOUS	VARIOUS
31	99156270	MINNEKAHTA SUBSTATION	1,886,440	1/27/2010	9
32		TOTAL MAJOR ADDITIONS	\$ 3,122,221		
33					
34	VARIOUS	FERC ACCT 350	(380,392)	VARIOUS	VARIOUS
35	VARIOUS	FERC ACCT 355	(63,057)	VARIOUS	VARIOUS
36	VARIOUS	FERC ACCT 356	(6,095)	VARIOUS	VARIOUS
37		TOTAL MAJOR RETIREMENTS	\$ (449,544)		
38					
39		DISTRIBUTION			
40	VARIOUS	VARIOUS UNDER \$100,000	898,662	VARIOUS	VARIOUS
41	10040061	INV REPL ELEC SERVICE OH	106,504	8/15/2010	VARIOUS
42	10040062	ELEC PRI EXTENSION	108,817	8/15/2010	VARIOUS
43	10040059	INV NEW CUST ELEC STRT LT	113,919	8/15/2010	VARIOUS
44	99157701	REPLACE 69KV BREAKERS	141,076	2/19/2010	5
45	99157246	BELLE FOURCHE CONVERSION	162,586	6/12/2012	12
46	10042633	Lookout Reactor Replacement	170,821	1/31/2012	9
47	99157252	RECONDUCTOR FROM CUSTER TO CUSTER	254,175	8/5/2011	10
48	10042629	Distribution Rebuilds	257,062	8/30/2010	9
49	99157702	69KV CONTINGENCY	272,240	10/7/2011	9
50	99157003	METER BLANKET	294,896	12/14/2009	VARIOUS
51	99157006	REPLACE AND STUB DISTRIBUTION POLES	311,585	3/18/1994	VARIOUS
52	10040054	Repl Elec ext or Gas Mains Blanket	318,563	8/15/2010	VARIOUS
53	99157210	RECONDUCTOR 2567	404,493	5/4/2007	1
54	99157242	RECONDUCTOR CUS1203, DIST 12.4KV	407,243	12/14/2009	2
55	99157007	REPLACE UNDERGROUND	505,847	11/4/2008	VARIOUS
56	10040064	Inv New Cust Undg svc/Meter Enclos	521,499	8/15/2010	VARIOUS
57	99157076	SPEARFISH VOLTAGE CONVERSION	810,452	2/9/2009	3
58	99157012	ROAD IMPROVEMENTS PROJECTS	1,108,768	9/8/2010	VARIOUS
59	99157009	BETTERMENT PROJECT < \$25000	1,109,915	7/22/2009	VARIOUS
60	99157002	BLANKET PROJECT - TRANSFORMERS	1,200,341	2/1/2008	VARIOUS
61	10040058	Inv New Cust Elec Serv OH Blanket	1,542,038	8/15/2010	VARIOUS
62	99157001	CUSTOMER PROJECTS OVER \$5000	1,780,365	10/6/2008	VARIOUS
63	99157703	EDGEMONT RIVER TO HS 69KV REBUILD	2,149,797	10/11/2007	5
64	99157232	FIFTH STREET SUB EXP. (ENG ONLY)	2,306,906	11/24/2010	9
65	99156006	TRANSMISSION CONTINGENCY	2,877,514	3/26/2012	12
66	99157721	MINNEKAHTA SUBSTATION - 69KV	3,440,961	1/29/2010	9
67	99157724	LANGE TO STURGIS 69KV	3,913,756	2/23/2010	3
68	99157255	AMI AUTOMATED METER READING PROJECT	5,230,798	3/30/2010	9
69		TOTAL MAJOR ADDITIONS	\$ 32,721,597		

BLACK HILLS POWER, INC.
SUMMARY OF MAJOR ADDITIONS AND RETIREMENTS BY FUNCTION
For the Year Ended December 31, 2012

Schedule D-4 2012
Page 2 of 2

Line No.	Work Order	Description	Amount	Start Date	Period Closed
70	VARIOUS	FERC ACCT 362	\$ (393,659)	VARIOUS	VARIOUS
71	VARIOUS	FERC ACCT 364	(807,139)	VARIOUS	VARIOUS
72	VARIOUS	FERC ACCT 365	(759,735)	VARIOUS	VARIOUS
73	VARIOUS	FERC ACCT 366	(80,293)	VARIOUS	VARIOUS
74	VARIOUS	FERC ACCT 367	(190,522)	VARIOUS	VARIOUS
75	VARIOUS	FERC ACCT 368	(572,180)	VARIOUS	VARIOUS
76	VARIOUS	FERC ACCT 369	(12,023)	VARIOUS	VARIOUS
77	VARIOUS	FERC ACCT 370	(10,007)	VARIOUS	VARIOUS
78	VARIOUS	FERC ACCT 371	(9,001)	VARIOUS	VARIOUS
79	VARIOUS	FERC ACCT 373	(8,055)	VARIOUS	VARIOUS
80		TOTAL MAJOR RETIREMENTS	<u>\$ (2,842,614)</u>		
81					
82		GENERAL			
83	VARIOUS	VARIOUS UNDER \$100,000	548,694	VARIOUS	VARIOUS
83a	99158000	CUSTOMER SERVICE TOOL PROJECT	100,017	12/23/2009	VARIOUS
83b	99155012	BHPS SHARE OF WYODAK I CAPITAL	129,634	3/26/2009	VARIOUS
84	10041482	UNIFIED PRINT PRJECT BHP	141,287	3/2/2011	3
84a	10043557	FIELD LAPTOP DEPLOYMENT	153,166	12/2/2011	8
84b	10042678	NS2-DCS RACK POWER SUPPLY UPGRADE	195,823	12/13/2011	9
85	99158002	TRANSPORTATION BLANKET	214,225	1/29/2010	VARIOUS
86	10041350	CAPITAL PROJECTS-UNBUDGETED	280,863	3/16/2011	VARIOUS
86a	10042693	NS2-DCS CONTROL UPGRADE (ABB)	551,411	12/13/2011	12
87	99158022	CAPITAL FACILITIES BLANKET-2010	800,152	7/19/2010	10
88	10040395	FLEET PURCHASED BHP	991,923	6/16/2011	VARIOUS
89		TOTAL MAJOR ADDITIONS	<u>\$ 4,107,195</u>		
90					
91	VARIOUS	FERC ACCT 390	(182,154)	VARIOUS	VARIOUS
92	VARIOUS	FERC ACCT 391	(4,888,930)	VARIOUS	VARIOUS
93	VARIOUS	FERC ACCT 392	(257,553)	VARIOUS	VARIOUS
94	VARIOUS	FERC ACCT 395	(1,279)	VARIOUS	VARIOUS
95	VARIOUS	FERC ACCT 397	(11,584)	VARIOUS	VARIOUS
96		TOTAL MAJOR RETIREMENTS	<u>\$ (5,341,500)</u>		
97					
98					
99		Grand Total	<u>\$ 35,196,444</u>		

BLACK HILLS POWER, INC.
POLICY OF CAPITALIZING INTEREST AND OTHER OVERHEADS DURING CONSTRUCTION
For the Test Year Ended September 30, 2013

Schedule D-5
Page 1 of 1

Line No.	Policy Description
1	
2	Interest is charged monthly on construction projects on all electric property classified as work in progress not
3	completed or in service, provided that construction has not been halted for an extended period of time.
4	
5	Overhead costs related to construction projects are capitalized in accordance with Electric Plant instructions of the
6	FERC Uniform System of Accounts.

BLACK HILLS POWER, INC.
CHANGES IN INTANGIBLE PLANT
FOR THE PERIOD JANUARY 1, 2008 THROUGH SEPTEMBER 30, 2013

Schedule D-6
Page 1 of 1

Line No.	Year	Beginning of Period Balance	Additions	Retirements	Ending Period Balance
1	2008	4,870,308	-	-	\$ 4,870,308
2	2009	4,870,308	-	-	\$ 4,870,308
3	2010	4,870,308	-	-	\$ 4,870,308
4	2011	4,870,308	-	-	\$ 4,870,308
5	2012	4,870,308	-	-	\$ 4,870,308
6	Sep-13	4,870,308	-	-	\$ 4,870,308

BLACK HILLS POWER, INC.
PLANT IN SERVICE - NOT USED AND USEFUL
For the Test Year Ended September 30, 2013

Line No.	Beginning of Period Balance	Additions	Retirements	Ending Period Balance
1	None	-	-	None

BLACK HILLS POWER, INC.
POLICY OF CONTINUING PROPERTY RECORDS
For the Test Year Ended September 30, 2013

Schedule D-8
Page 1 of 1

Line No.	Policy Description
1	Power Plants:
2	Each power plant is unitized in accordance with FERC rules and regulations. A record of original cost,
3	age and description is maintained for each unit by plant location. When a unit is retired, the original
4	installed cost of that unit is removed from the records of the Company. If the unit is reusable, the
5	salvage value is booked at average unit prices for that item.
6	
7	Transmission Plants:
8	A record exactly like the power plant record is maintained for each transmission substation. This
9	record includes land, buildings and equipment.
10	
11	A record for each transmission line is maintained. The original installed cost of units are an average of
12	like units within the line (e.g. all 65 foot poles of the same age would have the same original installed
13	cost of this line). When a unit is retired, it is handled in the same manner as described above for
14	power plants.
15	
16	Distribution Plants:
17	The records for distribution land, buildings, substations, transformer, and meters are maintained
18	exactly like the power plant records outlined above.
19	
20	The units in the mass distribution accounts are maintained by county by year installed. The original
21	installed cost of these units is the average installed cost in the county for that year. When a unit is
22	retired, the county is determined from property maps and the installed cost based on the oldest unit
23	in service is removed from the records of the Company. If the unit is reusable, a credit is posted to
24	the applicable work order based on the average unit prices for that item.
25	
26	
27	General Plants:
28	Each unit of general plant is separately identified and the records are maintained exactly like the
29	power plant records explained earlier.
30	
31	Retirement Units:
32	The Company uses retirement units that conform to FERC guidelines.

BLACK HILLS POWER, INC.
PLANT ACQUIRED FOR WHICH REGULATORY APPROVAL HAS NOT BEEN OBTAINED
For the Test Year Ended September 30, 2013

Line	Policy Description
No.	
1	Black Hills Power did not acquire any operating units or systems for which regulatory approval has not been
2	obtained in the 12 months ending September 30, 2013.

BLACK HILLS POWER, INC.
Subsequent and Expected Plant Additions - Total Company
For the Pro Forma Test Year Ended September 30, 2013

Schedule D -10
Page 1 of 2

Line No.	Project Number	Description	Total Additions
1		PRODUCTION	
2	10045476	Wygen III Reagent Prep Enclosure	\$ 749,087
3	10045507	Wygen III SCR Catalyst Removal and Inst	624,000
4	10046763	Wygen III ABB Symphony + HMI interface	275,772
5	10048207	Wygen III DSI System	268,904
6	10045366	Wygen III Baghouse Bag Replacement	267,800
7	10048775	Wygen III Furnace Water Wall Panel Replacement	245,356
8	10048213	Wygen III CO2 & O2 Grid Install	127,400
9	10048785	Wygen III SDA Wall Coating	104,000
10	10004048	Wyodak - Mercury Control System	841,012
11	10003892	Wyodak - Overhaul of Pulverizer and Gearbox	114,810
12	10045495	Lange CT CEMS PLC Replacement	132,070
13	10046735	Neil Simpson II Convert Startup from Fuel Oil to Natural Gas	1,118,651
14	10048780	Neil Simpson II Precipitator Assessment Repair	779,519
15	10046731	Neil Simpson II ABB Symphony + HMI interface	491,301
16	10045426	Neil Simpson II Furnace Waterwall Weld Overlay	436,817
17	10048206	Neil Simpson II CO2 & O2 Grid Install	266,362
18	10045374	Neil Simpson II Boiler Chemical Cleaning	260,884
19	10045387	Neil Simpson II CDS Vessel Repairs	209,360
20	10045480	Neil Simpson II Refractory for BA and Burner Front	203,939
21	10042500	Neil Simpson II Charger Replacement	200,000
22	10048789	Neil Simpson II TLO Replace	128,455
23	10045501	Neil Simpson II Rotating Throat Conversion	122,178
24	10045382	Neil Simpson II Burner Cone Replacement	105,818
25	10042721	Ben French CT-MARK VI UPGRADE	1,016,690
26	10045395	NSC Common - Coal Supply Emergency Backup South Side Conveyor	882,819
27	10048210	NSC Common - Concrete area between units	519,542
28	10048578	NSC Common - Coal Supply Emergency Backup North Side Conveyor	465,509
29	10045547	NSC Common - WYG2 and WYG3 Storm Water Pond	422,559
30	10045431	NSC Common - HVAC Upgrades	318,809
31	10045462	NSC Common - Plant Water Pretreatment System	260,884
32	10048208	NSC Common - NS2\Wygen I Modify PAC Silo	221,218
33	10048209	NSC Common - Wygen II\Wygen III Modify PAC Silo	221,218
34	10046744	NSC Common - Manlift (JLG)\Crane Purchase	189,450
35	10042560	NSC Common - Backup Water Supply	151,971
36	10045417	NSC Common - NS2\Wygen I Dust Control Containment System	150,000
37	10042563	NSC Common - Large Forklift	142,490
38	10048225	NSC Common - Replace NS2 Belt	136,230
39	10045424	NSC Common - Fluorescent Fixture Replacement	121,038
40	10045420	NSC Common - Entry from Hwy 51	109,627
41	Various	Wyodak - Various Under \$100,000	205,385
42	Various	Wygen III - Various Under \$100,000	205,385
43	Various	Lange, Ben French, & Neil Simpson CT -Various Under \$100,000	530,861
44	Various	NSC Common - Various Under \$100,000	975,781
45	Various	Neil Simpson II - Various Under \$100,000	332,932
46		TOTAL PRODUCTION	\$ 15,653,893
47			
48		DISTRIBUTION	
49		Allocated Distribution Projects	
50	10042640	Voltage Improvement Projects	\$ 983,553
51	10042629	Distribution Rebuilds	781,462
52	10046812	Neil Simpson I Decommissioning - New Control Enclosure	720,412
53	99157002	Transformers	579,897
54	99157007	Replace Underground	426,192
55	99157009	Betterment Projects < \$25,000	339,412
56	99157133	Distribution Reliability	290,094
57	99157006	Replace and Stub Distribution Poles	212,846
58	10040054	Replace Primary Distribution Lines	168,969
59	10046534	69 KV Reliability	167,379

BLACK HILLS POWER, INC.
Subsequent and Expected Plant Additions - Total Company
For the Pro Forma Test Year Ended September 30, 2013

Schedule D -10
Page 2 of 2

Line No.	Project Number	Description	Total Additions
60	10042643	Distribution Line Controls	114,185
61	99157012	Road Improvement Projects	110,973
62		Various Under \$100,000	401,571
63		TOTAL ALLOCATED DISTRIBUTION	\$ 5,296,945
64		Direct Assigned Distribution Projects - South Dakota	
65	10044999	East Meade Substation	\$ 3,069,452
66	60021007	Winter Storm Atlas - Rapid City Capital Projects	861,402
67	99157729	Jackson Blvd 69 kV Relocation	849,163
68	60021005	Winter Storm Atlas - Northern Hills Capital Projects	825,921
69	10042628	Rapid City Cemetery Transformer Replacement	750,000
70	99157245	Replace Rectangular Wound Distribution Sub Transformers	707,970
71	60021006	Winter Storm Atlas - Southern Hills Capital Projects	426,677
72	99157701	Replace 69 kV Breakers	304,933
73	10042853	Mount Rushmore Road Move	247,090
74	99157252	Reconductor from Custer to Custer State Park	240,484
75		Various Under \$100,000	38,336
76		TOTAL DIRECT ASSIGNED DISTRIBUTION	\$ 8,321,428
77			
78		SUB-TRANSMISSION	
79		Direct Assigned - South Dakota	
80	10041085	Custer to Hot Springs 69 kV Line Rebuild - Phase 1	\$ 2,634,389
81	10041085	Custer to Hot Springs 69 kV Line Rebuild - Phase 2	3,131,502
82	99157711	Lookout to Sundance Hill 69 kV Line Rebuild	2,290,068
83		TOTAL DIRECT ASSIGNED SUB-TRANSMISSION LINES	\$ 8,055,959
84			
85		GENERAL	
86	10040395	Straight Trucks	\$ 900,000
87	10040395	Pickup Trucks	384,000
88	10040395	Vehicles	440,273
89	10043553	Facility Consolidation Project - Northern Hills	1,250,000
90	10043553	Perimeter Fencing System	142,000
91	10043553	Construct Storage Shed	150,000
92	10043553	Facility Capex - Various Under \$100,000	342,992
93	10048647	BHP Network Upgrade	202,288
94	10048756	2014 Security - IT Compliance Project	180,000
95	10046714	Shop Equipment	145,000
96	99159795	Mobile Radio Additions	111,148
97	Various	Various Under \$100,000	214,778
98		TOTAL GENERAL	\$ 4,462,479
99			
100		OTHER UTILITY	
101	10046312	Enterprise Storage	\$ 206,442
102	10046311	Enterprise Servers	162,486
103	10046313	Citrix Infrastructure and VDI	159,738
104	10046304	Enterprise Video Solution	156,709
105	10048726	Microsoft Enterprise Desktop	134,496
106	10040393	Fleet	123,379
107	10044009	Financial Planning System	101,668
108	Various	Various Under \$100,000	411,831
109		TOTAL OTHER UTILITY	\$ 1,456,749
110			
111		TOTAL ELECTRIC PLANT ADDITIONS	\$ 43,247,453

BLACK HILLS POWER, INC.
Cheyenne Prairie Generating Station
For the Pro Forma Test Year Ended September 30, 2013

Schedule D-11
Page 1 of 1

Line No.	Description	(a) (Note 1) Amount Spent to Date	(b) (Note 2) Remaining Expenditures	(c) [(a) + (b)] (Note 3) Forecasted Total Costs	(d) BHP % Ownership	(e) [(c) * (d)] BHP Forecasted Total Costs
1	Combined Cycle					
2	Engineering	\$ 2,391,762	\$ 407,830	\$ 2,799,592	58%	\$ 1,623,763
3	Project Administration	2,165,838	3,799,796	5,965,634	58%	3,460,068
4	Equipment Procurement	66,369,588	3,295,415	69,665,003	58%	40,405,702
5	Construction & Commissioning	7,133,145	16,203,589	23,336,734	58%	13,535,306
6	Indirects	5,773,754	3,129,641	8,903,395	58%	5,163,969
7	Contingency	-	2,926,867	2,926,867	58%	1,697,583
8	Total Combined Cycle Costs	<u>83,834,087</u>	<u>29,763,138</u>	<u>113,597,225</u>		<u>65,886,391</u>
9						
10	Common					
11	Engineering	\$ 1,817,068	\$ 26,202	\$ 1,843,270	42%	\$ 774,173
12	Project Administration	131,395	318,605	450,000	42%	189,000
13	Equipment Procurement	5,836,476	4,575,723	10,412,199	42%	4,373,124
14	Construction & Commissioning	15,078,498	10,883,132	25,961,630	42%	10,903,885
15	12" Natural Gas Pipeline	6,558,629	2,431,260	8,989,889	42%	3,775,753
16	Indirects	9,438,600	5,676,400	15,115,000	42%	6,348,300
17	Total Shared Asset Costs	<u>38,860,666</u>	<u>23,911,322</u>	<u>62,771,988</u>		<u>26,364,234</u>
18						
19	TOTAL PROJECTED COSTS	<u>\$ 122,694,753</u>	<u>\$ 53,674,460</u>	<u>\$ 176,369,213</u>		<u>\$ 92,250,624</u>

- 20
- 21 Note (1) Costs included are actual costs incurred as of 12.31.13.
- 22 Note (2) Costs estimated to complete include contracts and change orders in progress or
- 23 outstanding.
- 24 Note (3) Total forecasted cost includes all costs to complete CPGS project. Estimated cost of
- 25 CPGS based on the Certificate of Public Convenience and Necessity Application filed
- 26 11.1.11 with the Wyoming Public Service Commission was \$222,000,000.



Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section E

20:10:13:64. Statement E -- Accumulated Depreciation. Statement E shall include a statement of the accumulated provision for depreciation by functional classification as of the beginning of each month of the test period and as of the end of the test period. Any claimed adjustments to the book amounts shall be shown in adjoining columns. All adjustments shall be clearly and fully explained in the supporting material submitted. The schedules required by §§ 20:10:13:65 to 20:10:13:67, inclusive, shall be submitted as part of statement E.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Statement E, Page 1: This Statement shows a 12 month average book balance for accumulated depreciation for Production Plant, Transmission Plant, Distribution Plant, General Plant, and Other Utility Plant, adjusted for plant annualizations, additions, depreciation rate changes, retirements and transmission assets related to the CUS system.

Statement E, Page 2: This statement shows a 12 month average book balance for accumulated amortization.

Statement E, Page 3: This schedule provides further detail of the 12 month average accumulated depreciation book balances for the test period, year ended September 30, 2013, for Production Plant.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section E

20:10:13:65. Schedule E-1 -- Working Papers on Recorded Changes to Accumulated Depreciation. Schedule E-1 shall include a yearly summary of the book changes in each functional classification set forth in statement E since the date of the last prior review in a rate proceeding or by private audit. The summary shall include:

- (1) Starting balance;
- (2) Annual provision;
- (3) Retirements, with cross reference to plant schedule;
- (4) Salvage;
- (5) Removal costs;
- (6) Adjustments, including particulars of any significant items;
- (7) Ending balance.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section E

20:10:13:66. Schedule E-2 -- Working Papers on Depreciation and Amortization Method. Schedule E-2 shall include a description of the methods and procedures followed in depreciating or amortizing plant and recording abandonments by the utility if any policy change has been made effective since the period covered by the last annual report on FERC form no. 1 or FERC form no. 2 as filed with the FERC.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section E

20:10:13:67. Schedule E-3 -- Working Papers on Allocation of Overall Accounts.

For each allocation of an overall account to obtain the amounts applicable to various functional groups of plant, schedule E-3 shall provide a complete explanation of the method, procedures and significant data used in making the allocation.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
ACCUMULATED PROVISION FOR DEPRECIATION- PRODUCTION PLANT
For the Test Year Ended September 30, 2013

Statement E
Page 3 of 4

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Line No.	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013
1	Steam Production- by Plant						
2	\$ 13,855,130	\$ 13,920,467	\$ 13,957,085	\$ 13,996,322	\$ 14,036,089	\$ 14,068,645	\$ 14,105,903
3	Ben French	16,069,800	16,119,783	16,179,763	16,227,798	16,291,407	16,346,666
5	Neil Simpson I	45,665,210	44,942,669	45,219,951	45,505,858	45,793,900	44,818,112
6	Neil Simpson II	17,851,641	17,922,134	17,955,633	17,992,507	18,030,064	18,058,367
7	Osage	7,580,632	7,848,713	8,100,924	8,354,581	8,608,528	8,857,863
8	Wygen III	48,471,165	47,147,429	47,408,866	47,679,625	47,734,307	47,982,110
9	Wyodak						
10	Other Production	35,516,250	35,724,734	35,859,578	36,001,216	36,123,016	36,229,971
11	Total Production Plant	<u>\$ 185,009,828</u>	<u>\$ 183,625,929</u>	<u>\$ 184,681,800</u>	<u>\$ 185,757,907</u>	<u>\$ 186,617,311</u>	<u>\$ 186,361,734</u>

BLACK HILLS POWER, INC.
ACCUMULATED PROVISION FOR DEPRECIATION- PRODUCTION PLANT
For the Test Year Ended September 30, 2013

Statement E
Page 4 of 4

Line No.	Description	(h)	(i)	(j)	(k)	(l)	(m)	(n)
		April 2013	May 2013	June 2013	July 2013	August 2013	September 2013	13 Month Average [(Sum of (a):(m))/13]
1	Steam Production- by Plant							
2	Ben French	\$ 14,146,739	\$ 14,184,799	\$ 14,221,135	\$ 14,263,020	\$ 14,305,002	\$ 14,339,387	\$ 14,107,671
3	Neil Simpson I	16,472,239	16,533,871	16,593,479	16,659,555	16,716,648	16,773,946	16,414,795
5	Neil Simpson II	45,361,106	45,565,747	45,846,358	46,144,904	46,221,389	46,474,301	45,587,038
6	Osage	18,131,657	18,167,044	18,200,228	18,240,517	18,280,928	18,311,634	18,095,005
7	Wygen III	9,118,326	9,369,474	9,623,852	9,882,150	10,122,221	10,372,509	8,977,029
8	Wyodak	48,521,772	48,788,181	49,048,766	49,045,919	49,325,421	49,578,681	48,382,929
9								
10	Other Production	36,512,897	36,639,497	36,775,163	36,925,152	37,075,425	37,046,391	36,368,906
11	Total Production Plant	<u>\$ 188,264,736</u>	<u>\$ 189,248,613</u>	<u>\$ 190,308,981</u>	<u>\$ 191,161,217</u>	<u>\$ 192,047,034</u>	<u>\$ 192,896,849</u>	<u>\$ 187,933,374</u>

BLACK HILLS POWER, INC.
ACCUMULATED PROVISION FOR DEPRECIATION
TOTAL COMPANY BY FUNCTION
For the Pro Forma Test Year Ended September 30, 2013

Statement E
Page 1 of 4

Line No.	Month	Production Plant	Transmission Plant	Distribution Plant	General Plant	Other Utility Plant	Total
1	September 2012	\$ 185,009,828	\$ 30,430,817	\$ 97,928,472	\$ 18,723,108	\$ 17,470,510	\$ 349,562,735
2	October 2012	183,625,929	30,671,665	98,645,502	18,722,834	17,706,318	349,372,248
3	November 2012	184,681,800	30,787,538	99,094,155	18,929,053	18,003,938	351,496,484
4	December 2012	185,757,907	30,983,565	99,441,559	19,118,201	18,172,180	353,473,412
5	January 2013	186,617,311	31,178,012	100,029,982	19,314,610	17,962,309	355,102,224
6	February 2013	186,361,734	31,359,391	100,553,964	19,453,007	18,214,406	355,942,502
7	March 2013	187,151,918	31,532,793	101,126,511	19,604,685	18,279,444	357,695,351
8	April 2013	188,264,736	31,635,942	101,794,647	19,786,010	17,844,029	359,325,364
9	May 2013	189,248,613	31,828,815	102,327,951	19,909,838	17,038,207	360,353,424
10	June 2013	190,308,981	32,018,321	102,900,512	19,909,932	17,211,057	362,348,803
11	July 2013	191,161,217	32,093,030	103,546,672	20,110,156	16,822,903	363,733,978
12	August 2013	192,047,034	32,294,998	103,962,526	20,313,922	16,490,943	365,109,423
13	September 2013	192,896,849	32,479,778	103,797,225	20,448,825	16,648,968	366,271,645
14							
15	Thirteen Month Average	187,933,374	31,484,205	101,165,360	19,564,937	17,528,093	357,675,969
16							
17	Depreciation Expense for						
18	Plant Annualizations, Additions, & Depreciation Rate Changes	(3) 1,456,653	36,839	268,584	(32,842)	63,145	1,792,379
19							
20							
21	Ben French, Neil Simpson I, and Osage Retirements (Note 2)	(48,617,471)			(64,522)		(48,681,993)
22							
23							
24	Transmission Amounts (Note 1)	-	(30,697,750)	(442,577)	(2,118,537)	(1,586,917)	(34,845,781)
25							
26	Net BHP Amount	<u>\$ 140,772,556</u>	<u>\$ 823,294</u>	<u>\$ 100,991,367</u>	<u>\$ 17,349,036</u>	<u>\$ 16,004,321</u>	<u>\$ 275,940,574</u>
27							

28 Note 1: The amount directly assigned to the Transmission jurisdictional assets related to the CUS system and AC-DC-AC Tie assets.
29 Note 2: See Statement E pg 3 for the accumulated depreciation associated with the Neil Simpson I, Ben French, and Osage power plants. The accumulated
30 depreciation associated with the general plant from these three power plants is provided on WP-5.
31 Note 3: Includes depreciation expense for subsequent plant additions and annualizations for the pro forma test year, as well as an adjustment for the change
32 in depreciation rates provided in Statement J, divided by two to average the changes that occur throughout the test year.

BLACK HILLS POWER, INC.
ACCUMULATED PROVISION FOR AMORTIZATION
For the Test Year Ended September 30, 2013

<u>Line No.</u>	<u>Month</u>	<u>Amount</u>
1	September 2012	\$ 3,107,577
2	October 2012	3,115,695
3	November 2012	3,123,812
4	December 2012	3,131,929
5	January 2013	3,140,046
6	February 2013	3,148,163
7	March 2013	3,156,280
8	April 2013	3,164,398
9	May 2013	3,172,515
10	June 2013	3,180,632
11	July 2013	3,188,749
12	August 2013	3,196,866
13	September 2013	<u>3,204,984</u>
14		
15	Twelve Month Average	<u>\$ 3,156,280</u>

BLACK HILLS POWER, INC.
ACCUMULATED PROVISION FOR DEPRECIATION
For the Test Year Ended September 30, 2013

Schedule E-1
Page 1 of 1

Line No.	Description	Reference	Production Plant	Transmission Plant	Distribution Plant	General Plant	Other Utility Plant	Total
1	Balance September 30, 2012	Stmt. E pg 1 Ln.1	\$ 185,009,828	\$ 30,430,817	\$ 97,928,472	\$ 18,723,108	\$ 17,470,510	\$ 349,562,735
2	Add: Depreciation Expense		13,386,388	2,396,230	8,425,932	2,396,038	2,000,163	28,604,752
3	Less: Retirements Closed		(4,229,633)	(646,587)	(2,358,791)	(784,026)	(2,862,741)	(10,881,778)
4	Less: Cost of Removal Closed		(1,199,980)	(69,863)	(267,946)	(37,812)	-	(1,575,600)
5								
6	Add: Salvage Closed		-	1,138,488	99,482	111,148	13,486	1,362,604
7								
8	RWIP		(69,755)	(14,134)	(42,918)	(10,342)	-	(137,149)
10	Miscellaneous Adjustments		-	(755,173)	12,993	50,710	27,550	(663,919)
11								
12	Balance September 30, 2013	Stmt. E pg 1 Ln.13	<u>\$ 192,896,849</u>	<u>\$ 32,479,778</u>	<u>\$ 103,797,225</u>	<u>\$ 20,448,825</u>	<u>\$ 16,648,968</u>	<u>\$ 366,271,645</u>

BLACK HILLS POWER, INC.
DEPRECIATION AND AMORTIZATION METHOD
For the Test Year Ended September 30, 2013

Line
No.

Policy Description

- 1 The Company's depreciation expense rates are based on a depreciation study
- 2 completed by Gannett Fleming of Harrisburg, Pennsylvania, in November 2013.
- 3 The study was performed in accordance with standard industry practice. The
- 4 study was completed using Company data through December 31, 2012. Specific
- 5 depreciation expense rates are calculated for each FERC property account and are
- 6 applied to a twelve month average of the property account investments to calculate
- 7 annual depreciation expense. See Statement J for calculation of depreciation expense
- 8 for the test year based on the new rates developed by Gannett Fleming.

BLACK HILLS POWER, INC.
ALLOCATION OF OVERALL ACCOUNTS
For the Test Year Ended September 30, 2013

Line
No.

Policy Description

- | | |
|---|--|
| 1 | Accumulated depreciation balances shown on Statement E for each functional classification |
| 2 | are the result of journal entries recorded monthly to reflect depreciation expense, retirements, |
| 3 | cost of removal, and salvage. |

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section F

20:10:13:68. Statement F -- Working Capital. Statement F shall show the computation of the working capital claimed as part of the public utility's rate base using averages where appropriate as of the beginning and the end of each month of the test period. The statement shall show the respective components of the claimed working capital and shall show in detail how the amount of each component was computed. The items required in §§ 20:10:13:69 to 20:10:13:71, inclusive, shall be submitted as part of statement F.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section F

20:10:13:69. Schedule F-1 -- Monthly Balances for Materials, Supplies, Fuel Stocks, and Prepayments. Schedule F-1 shall set forth monthly balances for materials, supplies, fuel stocks, and prepayments in such detail as to disclose, either by subaccounts regularly maintained on the books or by analysis of the principal items included in the main account, the nature of the charges included.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section F

20:10:13:70. Schedule F-2 -- Monthly Balances for Two Years Immediately Preceding Test Year. Schedule F-2 shall set forth monthly balances of materials and supplies for two years immediately preceding the test period.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Section F

20:10:13:71. Schedule F-3 – Data Used in Computing Working Capital. Schedule F-3 shall show the computations, cross references, and sources from which the data used in computing claimed working capital is derived.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Schedule F-3 Page 1: This schedule shows the cash working capital for the test year ended September 30, 2013.

Schedule F-3 Page 2: This schedule shows the adjusted cash working capital for the test year ended September 30, 2013. The calculation of the adjusted cash working capital is based on adjusted expenses and adjusted revenues.

Schedule F-3 Lead/Lag Calculations: The Expense per Day in column (b), is calculated by dividing the per book recorded amounts in column (a) by 365 days in a year. The Expense per Day is then multiplied by the Expense Lead Days in column (c) to determine the Expense Dollar Days for column (d).

The Expense Lead Days is a calculation of the time lag between services/goods received and the payment of such costs based on a selection of invoices specific to each expense category. For example, if the invoice for services provided for the month of April was paid on May 20th, the Expense Lead Days would be 35. The 35 days is calculated by taking April's mid-service point of 15 days, since the service was for the entire month and adding the 20 days in May before the invoice was paid.

The Revenue Lag Days is a calculation of the time lag between services rendered and the receipt of revenues for such services. The components of this calculation include average: 1) service month midpoint days, 2) meter reading to billing days, and 3) billing to collection days.

The Gross Cash Working Capital Requirement on line 47 is calculated by multiplying the total Expense per Day in column (b) – Line 41 by the Net Lead/Lag Days on line 45.

The Net Cash Working Capital Requirement on line 49 is determined based on the Gross Cash Working Capital on line 47 net of the calculated cash available from tax collections on behalf of other parties, Tax Collections Available (Line 48).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section F

Schedule F-4 – Materials and Supplies - CPGS. This Schedule shows in detail, Black Hills Power's share of materials and supplies related to the Cheyenne Prairie Generating Station, for the pro forma test year. These amounts are included in the adjusted working capital on Statement F.

BLACK HILLS POWER, INC.
WORKING CAPITAL
For the Pro Forma Test Year Ended September 30, 2013

Statement F
Page 1 of 1

Line No.	Description	Reference	Total Per Books	CUS Adjustment	BHP Per Books	Pro Forma Adjustment	Adjusted Total
1	Cash Working Capital	Sched. F-3 pg1 Ln.49	\$ (5,213,845)	\$ (445,408) (3)	\$ (5,659,253)	\$ (179,998) (1)	\$ (5,839,251)
2							
3	Fuel Stocks	Sched. F-1	5,987,526		5,987,526	1,303,786 (4)	7,291,312
4							
5	Materials and Supplies	Sched. F-1	15,098,699	(1,461,831) (3)	13,636,868	(114,272) (2)	13,522,596
6							
7	Prepaid Expenses	Sched. F-1	942,373	(395,815) (3)	546,558	-	546,558
8							
9	Total Working Capital		<u>\$ 16,814,753</u>	<u>\$ (2,303,054)</u>	<u>\$ 14,511,699</u>	<u>\$ 1,009,516</u>	<u>\$ 15,521,215</u>
10							
11	Less: Prepaid Pension for Transmission Working			-			
12	Capital not included in Black Hills Power Rate Case						
13							
14	Total Working Capital Transmission			<u>\$ (2,303,054)</u>			<u>\$ 2,303,054</u>
15							
16	Total Working Capital - BHP and Transmission						<u>\$ 17,824,269</u>
17							
18	Note 1: Adjustments to cash working capital - refer to Schedule F-3 page 2 for details.						
19	Note 2: Adjustment to materials and supplies - refer to Schedule F-1 and Schedule F-4.						
20	Note 3: Transfers from BHP state jurisdiction to BHP FERC jurisdiction.						
21	Note 4: Adjustment to fuel stocks - refer to Schedule F-1.						

BLACK HILLS POWER, INC.
COMPONENTS OF CLAIMED WORKING CAPITAL
For the Pro Forma Test Year Ended September 30, 2013

Schedule F-1
Page 1 of 1

Line No.	Month Ending	Fuel Stocks (a/c 151)	Materials and Supplies (a/c 154, 156)	Prepaid Expenses (a/c 165)
1	2012 September	\$ 6,400,519	\$ 14,729,394	\$ 566,278
2				
3	October	6,142,876	14,678,513	1,402,809
4				
5	November	6,039,994	14,714,453	1,618,534
6				
7	December	6,034,685	14,598,248	1,162,716
8				
9	2013 January	5,948,741	14,650,601	1,128,770
10				
11	February	5,912,290	14,742,130	966,824
12				
13	March	5,898,284	15,385,419	868,878
14				
15	April	6,018,780	15,684,807	760,932
16				
17	May	5,954,951	15,460,784	738,405
18				
19	June	5,937,777	15,455,288	853,873
20				
21	July	5,862,598	15,474,739	750,326
22				
23	August	5,848,085	15,440,609	853,779
24				
25	September	5,838,257	15,268,105	578,719
26				
27	13 Month Average	<u>5,987,526</u>	<u>15,098,699</u>	<u>942,373</u>
28				
29	NS II GSU Spare Transformer	-	953,952	-
30	Critical Spare Generation Fan Motors	-	801,515	-
31	NSC Coal Stockpile	1,303,786	-	-
32	Ben French Inventory	-	(802,724)	-
33	Neil Simpson I Inventory	-	(1,247,435)	-
34	Osage Inventory	-	(848,580)	-
35				
36	Adjusted Balance	<u>\$ 7,291,312</u>	<u>\$ 13,955,427</u>	<u>\$ 942,373</u>

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BLACK HILLS POWER, INC.
MONTHLY BALANCES OF MATERIALS AND SUPPLIES
For the Period October 2010 through September 2012

Schedule F-2
Page 1 of 1

Line No.	Month Ending		Materials and Supplies (a/c 154,156,163)
1	2010	October	\$ 13,784,736
2		November	13,925,140
3		December	14,123,503
4	2011	January	14,075,224
5		February	14,178,779
6		March	14,536,123
7		April	14,797,010
8		May	14,449,755
9		June	14,352,932
10		July	14,554,733
11		August	14,539,846
12		September	14,555,486
13		October	14,941,052
14		November	14,877,127
15		December	15,209,269
16	2012	January	15,225,529
17		February	15,286,665
18		March	15,549,359
19		April	14,791,732
20		May	14,237,401
21		June	14,285,982
22		July	14,425,683
23		August	14,513,603
24		September	\$ 14,729,394

BLACK HILLS POWER, INC.
PER BOOKS CASH WORKING CAPITAL CALCULATION
For the Test Year Ended September 30, 2013

Schedule F-3
Page 1 of 2

Line No.	Description	Reference	(a) Per Books	(b) [(a)/365] Expense Per Day	(c) Expense Lead Days	(d) [(b)*(c)] Expense Dollar Days
1	OPERATIONS AND MAINTENANCE					
2	Coal	Stmt. H Ln. 6(a)	\$ 18,937,520	\$ 51,884	35.2	\$ 1,826,317
3	Coal Transportation	Stmt. H Ln. 7(a)	-	-	33.6	-
4	Natural Gas - Other Production	Stmt. H Ln. 27(a)	2,623,531	7,188	41.5	298,302
5	Purchased Power and Capacity	Stmt. H Ln. 47(a)	45,690,059	125,178	33.8	4,231,016
6	Transmission	Stmt. H Ln. 56(a)	18,741,890	51,348	24.3	1,247,756
7	Net Payroll	Sched. H-1 Ln. 7	12,051,965	33,019	14.0	462,266
8	Workers Comp		17,764	49	986.6	48,343
9	Service/Holding Company Charges	Sched. H-4 Ln.19 + Sched. H-5 Ln.31(a)	32,573,625	89,243	44.6	3,980,238
10	Other O&M		<u>20,432,687</u>	<u>55,980</u>	<u>27.0</u>	<u>1,511,460</u>
11						
12	Subtotal	Sum(Ln.2:Ln.10)	151,069,042	413,889		13,605,698
13						
14	Wyodak Power Plant O&M		<u>3,659,005</u>	<u>10,025</u>	69.3	<u>694,733</u>
15						
16	Total O&M	Stmt. H Ln. 136(a); Ln.12 + Ln.14	154,728,047	423,914		14,300,431
17						
18	TAXES OTHER THAN INCOME TAX					
19	Property Tax	Stmt. L Ln. 14(a)	5,042,451	13,815	305.8	4,224,627
20	Unemployment - FUTA and SUTA	Stmt. L (Ln. 3(a) + Ln. 7(a))	101,101	277	75.9	21,024
21	Montana Electric Energy	Stmt. L Ln. 8(a)	15,777	43	64.6	2,778
22	Wyoming Franchise Tax	Stmt. L Ln. 9(a)	64,059	176	50.1	8,818
23	South Dakota PUC	Stmt. L Ln. 10(a)	211,595	580	394.5	228,810
24	Wyoming PSC	Stmt. L Ln. 11(a)	(5,843)	(16)	534.5	(8,552)
26	FICA	Stmt. L Ln. 2(a)	<u>3,007,210</u>	<u>8,239</u>	15	<u>123,585</u>
27	Total Taxes Other Than Income Tax	Sum(Ln.19:Ln.26)	8,436,350	23,114		4,601,090
28						
29	Depreciation	Stmt. J Ln. 20(f)	27,909,862	76,465		
30	Amortization	Stmt. J Ln. 22(f)	<u>97,406</u>	<u>267</u>		
31	Subtotal	Ln.29 + Ln.30	28,007,268	76,732		
32						
33	INCOME TAXES					
34	Federal	Stmt. K pg. 2 Ln. 68(a)	<u>15,014,035</u>	<u>41,134</u>	37.4	<u>1,538,412</u>
35	Subtotal		15,014,035	41,134		1,538,412
36						
37	INTEREST EXPENSE					
38	Long-Term Debt	Stmt. G pg. 2 Ln. 13(k)	<u>17,735,909</u>	<u>48,592</u>	91.4	<u>4,441,309</u>
39	Subtotal		17,735,909	48,592		4,441,309
40						
41	Grand Totals			\$ 613,486		\$ 24,881,242
42						
43	Revenue Lag Days		33.98			
44	Expense Lead Days	Ln. 41(d) / Ln.41(b)	<u>40.56</u>			
45	Net Days	Ln.43 - Ln.44	(6.58)			
46						
47	Gross Cash Working Capital Requirement	Ln. 41(b) * Ln. 45(a)		(4,036,738)		
48	Less: Tax Collections Available	Ln. 56(d)		<u>(1,177,107)</u>		
49	Net Cash Working Capital Requirement	Ln.47 + Ln.48		<u>\$ (5,213,845)</u>		
50						
51	TAX COLLECTIONS AVAILABLE					
52	FICA Taxes (Employee Contribution)		\$ 1,738,374	\$ 4,763	15	\$ 71,445
53	Federal Withholding Tax		3,395,060	9,302	15	139,530
54	South Dakota Sales and Use Tax		7,380,916	20,222	45.1	912,012
55	Wyoming Sales and Use Tax		<u>438,163</u>	<u>1,200</u>	45.1	<u>54,120</u>
56	Total	Sum(Ln.52:Ln.55)	<u>\$ 12,952,513</u>	<u>\$ 35,487</u>		<u>\$ 1,177,107</u>

BLACK HILLS POWER, INC.
ADJUSTED CASH WORKING CAPITAL CALCULATION
For the Pro Forma Test Year Ended September 30, 2013

Schedule F-3
Page 2 of 2

Line No.	Description	Reference	(a) Adjusted Total	(b) (a)/365 Expense Per Day	(c) Expense Lead Days	(d) (b)*(c) Expense Dollar Days
1	OPERATIONS AND MAINTENANCE					
2	Coal	Stmt. H Ln. 6(t)	\$ -	-	35.2	\$ -
3	Coal Transportation	Stmt. H Ln. 7(t)	-	-	33.6	-
4	Natural Gas - Other Production	Stmt. H Ln. 27(t)	-	-	41.5	-
5	Purchased Power and Capacity	Stmt. H Ln. 47(t)	7,192,960	19,707	33.8	666,097
6	Transmission	Stmt. H Ln. 56(t)	-	-	24.3	-
7	Net Payroll	Sched. H-1 Ln 6	13,740,709	37,646	14	527,044
8	Workers Comp		17,764	49	986.6	48,343
9	Service/Holding Company Charges	Sched. H-4 Ln. 19 + Sched. H-5 Ln. 31(b)	34,876,644	95,552	44.6	4,261,619
10	Other O&M		20,493,887	56,148	27	1,515,996
11						
12	Subtotal	Sum (Ln.2:Ln.10)	76,321,964	209,102		7,019,099
13						
14	Wyodak Power Plant O&M		3,659,005	10,025	69.3	694,733
15						
16	Total O&M	Stmt. H Ln. 136(t); Ln.12 + Ln.14	79,980,969	219,127		7,713,832
17						
18	TAXES OTHER THAN INCOME TAX					
19	Property Tax	Stmt. L Ln. 14(c)	5,042,451	13,815	305.8	4,224,627
20	Unemployment - FUTA and SUTA	Stmt. L (Ln. 3(c) + Ln. 7(c))	102,075	280	75.9	21,252
21	Montana Electric Energy	Stmt. L Ln. 8(c)	15,777	43	64.6	2,778
22	Wyoming Franchise Tax	Stmt. L Ln. 9(c)	64,059	176	50.1	8,818
23	South Dakota PUC	Stmt. L Ln. 10(c)	250,238	686	394.5	270,627
24	Wyoming PSC	Stmt. L Ln. 11(c)	-	-	534.5	-
26	FICA	Stmt. L Ln. 2(c)	3,028,493	8,297	15	124,455
27	Total Taxes Other Than Income Tax	Sum(Ln.19:Ln.26)	8,503,093	23,297		4,652,557
28						
29	Depreciation	Stmt. J Ln. 20(e)	31,494,618	86,287		
30	Amortization	Stmt. M Ln. 9(c)	4,397,822	12,049		
31	Subtotal	Ln.29 + Ln. 30	35,892,440	98,335		
32						
33	INCOME TAXES					
34	Federal	Stmt. K pg. 2 Ln. 68(g)	19,426,935	53,224	37.4	1,990,578
35	Subtotal		19,426,935	53,224		1,990,578
36						
37	INTEREST EXPENSE					
38	Long-Term Debt	Stmt. G pg. 3 Ln. 15(k)	20,630,909	56,523	91.4	5,166,202
39	Subtotal		20,630,909	56,523		5,166,202
40						
41	Grand Totals			450,506		19,523,169
42						
43	Revenue Lag Days		33.98			
44	Expense Lead Days	Ln. 41(d) / Ln.41(b)	43.34			
45	Net Days	Ln.43 - Ln.44	(9.36)			
46						
47	Gross Cash Working Capital Requirement	Ln. 41(b) * Ln. 45(a)		(4,216,736)		
48	Less: Tax Collections Available	Ln. 56(d)		(1,177,107)		
49	Total	Ln.47 + Ln.48		\$ (5,393,843)		
50						
51	CUS Adjustment	Stmt F Ln. 1		\$ (445,408)		
52	Net Cash Working Capital Requirement			\$ (5,839,251)		
53						
54	TAX COLLECTIONS AVAILABLE					
55	FICA Taxes (Employee Contribution)		\$ 1,738,374	\$ 4,763	15	\$ 71,445
56	Federal Withholding Tax		3,395,060	9,302	15	139,530
57	South Dakota Sales and Use Tax		7,380,916	20,222	45.1	912,012
58	Wyoming Sales and Use Tax		438,163	1,200	45.1	54,120
59	Total	Sum(Ln.55:Ln.58)	\$ 12,952,513	\$ 35,487		\$ 1,177,107

BLACK HILLS POWER, INC.
Materials and Supplies - CPGS
For the Pro Forma Test Year Ended September 30, 2013

Schedule F-4
Page 1 of 1

Line No.	Equipment Name	Total CPGS Amount	(Note 1) Allocator	BHP's Share
1	Oil/Water Separator	10,000	C	4,200
2	Compressed Air Equipment	10,000	C	4,200
3	Fuel Gas Conditioning, Htg, Pressure Regulating Skids	10,000	C	4,200
4	Cooling Tower	10,000	C	4,200
5	Closed Cooling Water Heat Exchanger	2,000	C	840
6	Auxiliary Cooling Water Pumps	2,000	C	840
7	Fire Pumps Package	10,000	C	4,200
8	General Service Pumps	25,000	C	10,500
9	Butterfly Valves	2,000	C	840
10	Motor Control Centers	5,000	C	2,100
11	Distributed Control System	70,000	C	29,400
12	Cooling Tower Chemical Feed System	2,500	C	1,050
13	Ammonia Storage Tank	10,000	C	4,200
14	Water Treatment Plant	5,000	C	2,100
15	Steam and Water Analysis System	50,000	CC	29,000
16	Continuous Emissions Monitoring	17,000	CC	9,860
17	Steam Turbine/Generator 1C	25,000	CC	14,500
18	Combustion Turbine/Generators CTG 1A&1B	100,000	CC	58,000
19	CT Inlet Air Heater	7,500	CC	4,350
20	Condenser	15,000	CC	8,700
21	Boiler Feed Pumps	73,000	CC	42,340
22	Circulating Water Pumps	5,000	CC	2,900
23	Condensate Pumps	5,000	CC	2,900
24	Heat Recovery Steam Generator	100,000	CC	58,000
25	Steam Turbine Bypass Valves	50,000	CC	29,000
26	Control Valves	30,000	CC	17,400
27	GSU Transformer Parts	5,000	CC	2,900
28	Unit Auxiliary Transformer	5,000	CC	2,900
29	Current Limiting Reactor	1,000	CC	580
30	Station Service Transformer	5,000	CC	2,900
31	Cycle Chemical Feed System	5,000	CC	2,900
32	Spare GSU Transformer	1,000,000	CC	580,000
33	Spare Boiler Feed Pump	150,000	CC	87,000
34	Total	1,822,000		1,029,000
35				
36	<u>Note 1 - Allocators:</u>			
37	C - Common - share CLFP 58%, BHP 42%			
38	CC - Combined cycle - share CLFP 42%, BHP 58%			

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section G

20:10:13:72. Statement G -- Rate of Return. Statement G shall show the percentage rate of return claimed, with a brief statement of its basis. The statement shall show the cost of debt capital, preferred stock capital, and the return on the stockholder's equity resulting from the overall rate of return claimed, based upon the utility's capitalization. In addition, items required in §§ 20:10:13:73 to 20:10:13:79, inclusive, shall be submitted as part of statement G. If 50 percent or more of the common stock of the public utility is not held by the public but is owned by another corporation, the information required by §§ 20:10:13:73 to 20:10:13:75, inclusive, shall also be submitted to the extent applicable for the debt, preferred stock, and common stock of the parent company.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Section G

20:10:13:73. Statement G -- Debt Capital. Statement G shall also show the weighted average cost of debt capital based upon the following data for each class and series of long term debt outstanding according to the most recently available balance sheet:

- (1) Title;
- (2) Date of issuance and date of maturity;
- (3) Interest rate;
- (4) Principal amount of the issue;
- (5) Net proceeds;
- (6) Net proceeds per unit;
- (7) Amount currently outstanding;
- (8) Cost of money and yield to maturity based on the interest rate and net proceeds per unit outstanding determined by reference to any generally accepted table of bond yields;
- (9) If the issue is owned by an affiliate, the name and relationship of owner and a copy of the latest prospectus issued by the public utility, any superimposed holding company, or subsidiary companies;
- (10) A copy of the bond indenture provisions related to minimum interest coverage requirements for existing and new issues.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Statement G Page 2: Debt Capital as of September 30, 2013. Weighted cost of debt based on test year.

Statement G Page 3: Pro Forma Debt Capital. Weighted cost of debt pro forma.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section G

20:10:13:74. Statement G -- Preferred Stock Capital. Statement G shall also show the weighted average cost of preferred stock capital based upon the following data for each class and series of preferred stock outstanding according to the most recently available balance sheet:

- (1) Title;
- (2) Date of issuance;
- (3) If callable, call price;
- (4) If convertible, terms of conversion;
- (5) Dividend rate;
- (6) Par value or stated amount of issue;
- (7) Price to public per share;
- (8) Underwriters' discount or commission:
 - (a) Amount;
 - (b) Percent of gross proceeds;
- (9) Issuance expenses:
 - (a) Amount;
 - (b) Percent of gross proceeds;
- (10) Net proceeds;
- (11) Net proceeds per unit;
- (12) Cost of money, that is, the dividend rate divided by net proceeds per unit or share;
- (13) Amount outstanding;
- (14) Whether issue was offered to stockholders through subscription rights or to the public;
- (15) If issue is owned by an affiliate, then provide the name and relationship of owner.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Section G

20:10:13:75. Statement G -- Common Stock Capital. Statement G shall also show for each sale of common stock during the five-year period preceding the most recently available balance sheet:

- (1) Number of shares sold;
- (2) Gross proceeds at offering price;
- (3) Underwriters' discount or commission;
- (4) Proceeds to the filing utility;
- (5) Amount of issuance expenses;
- (6) Net proceeds;
- (7) Offering price per share;
- (8) Net proceeds per share;
- (9) Book value per share at date immediately prior to date of issuance;
- (10) Closing market price at latest trading date prior to date of issuance;
- (11) Latest published earnings per share available at date of issuance;
- (12) Dividend rate at date of issuance;
- (13) Whether the issue was offered to stockholders through subscription rights or to the public and whether common stock was issued for property or for capital stock of others.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section G

20:10:13:76. Schedule G-1 -- Stock Dividends, Stock Splits or Changes in Par or Stated Value. Schedule G-1 shall show any stock dividends, stock splits or changes in par or stated value during the five-year period preceding the date of the most recently available balance sheet and by months for the 12-month test period plus subsequent months as available.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Section G

20:10:13:77. Schedule G-2 -- Common Stock Information. Schedule G-2 shall show the following information on outstanding common stock for the 5 calendar years preceding the end of the test period and by months for the 12-month test period:

- (1) Average number of shares outstanding;
- (2) Earnings per average share for only the 5 years preceding the test year;
- (3) Annual earnings per share for only the latest reported 12-month average;
- (4) Annual dividend rate per share;
- (5) Dividends listed as percent of earnings;
- (6) Average market price based on the monthly high and low;
- (7) Earnings price ratio, the relationship of annual earnings per share to average of the 12 monthly high and low market values of stock. In the case of monthly data, use the latest reported earnings in computing ratio of earnings to average high and low market value for the month;
- (8) Dividend price ratio, the relationship of dividend per share to average high and low market value of stock.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section G

20:10:13:78. Schedule G-3 -- Reacquisition of Bonds or Preferred Stock. If any bonds or preferred stock have been reacquired by the utility during the 18 months prior to filing, show full details in schedule G-3, including:

- (1) Title or series;
- (2) Principal amounts or par value reacquired;
- (3) Reacquisition cost;
- (4) Gain or loss on reacquisition;
- (5) Income taxes, if any, allocable to the gain or loss, and basis of allocation.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section G

20:10:13:79. Schedule G-4 -- Earnings Per Share for Claimed Rate of Return.

Schedule G-4 shall show the earnings per share of common stock which the claimed rate of return would yield and the basis upon which it is determined.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
COST OF CAPITAL - PRO FORMA
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	(a) Amount	(b) Percent of Total	(c) Cost	(d) (b)*(c) Weighted Cost
1	Pro Forma:					
2	Long-Term Debt	Stmt. G pg. 3 Ln. 15(j)	320,055,000	46.68%	6.45%	3.01%
3	Common Equity (1)	Ln. 16	365,592,883	53.32%	10.25%	5.47%
4			<u>\$ 685,647,883</u>	<u>100%</u>		<u>8.48%</u>
5						
6	(1) Common Equity:					
7	Common Stock Issued	Stmt. A pg. 2 Ln. 2(a)	\$ 23,416,396			
8	Premium on Capital Stock	Stmt. A pg. 2 Ln. 3(a)	42,076,811			
9	Other Paid-In Capital		-			
10	Capital Stock Expense	Stmt. A pg. 2 Ln. 4(a)	(2,501,882)			
11	Accumulated Other Comprehensive Income/(Loss)	Stmt. A pg. 2 Ln. 6(a)	(1,356,399)			
12	Retained Earnings	Stmt. A pg. 2 Ln. 5(a)	271,419,376			
13	Common Equity		<u>\$ 333,054,302</u>			
14						
15	Pro Forma Adjustments to Equity (Note 1)		<u>32,538,581</u>			
16	Adjusted Equity		<u>\$ 365,592,883</u>			
17						
18						
19	Note (1) Adjustment to reflect future debt/equity structure to be maintained by Black Hills Power. The pro forma capital structure is reflective of the					
20	historical capital structure.					

BLACK HILLS POWER, INC.
DEBT CAPITAL
For the Test Year Ended September 30, 2013

Statement G
Page 2 of 5

Line No.	(a) Description	(b) Issue	(c) Maturity	(d) Amount Issued	(e) Interest Rate	(f) Net Proceeds Amount	(g) (f) / (d) Per Unit	(h) (e) Yield to Maturity	(i) (h) / (g) Cost of Money	(j) Principal Outstanding	(k) Annual Cost
1	BLACK HILLS POWER										
2	FIRST MORTGAGE BONDS:										
3	Series AE	8/13/2002	8/15/2032	75,000,000	7.36%	74,343,750	0.9913	7.36%	7.42%	75,000,000	5,565,000
4	Series AF	10/27/2009	11/1/2039	180,000,000	6.17%	178,300,800	0.9906	6.17%	6.23%	180,000,000	11,214,000
5	Series Y (Note 1)	6/15/1998	6/15/2018	6,000,000	9.49%	5,906,578	0.9844	9.49%	9.64%	-	11,109
6	Series Z (Note 1)	5/29/1991	5/29/2021	35,000,000	9.35%	34,790,305	0.9940	9.35%	9.41%	-	84,828
7	Series AB (Note 1)	9/1/1999	9/1/2024	45,000,000	8.30%	44,507,250	0.9891	8.30%	8.39%	-	116,828
8											
9											
10	OTHER BONDS:										
11	Series 94A Gillette (Note 2)	6/15/1994	6/1/2024	3,000,000	1.25%	2,930,057	0.9767	1.25%	1.28%	2,855,000	36,544
12	Series 2004 Campbell County due 2024	10/1/2004	10/1/2024	12,200,000	5.74%	12,062,750	0.9888	5.74%	5.80%	12,200,000	707,600
13	Total Outstanding									270,055,000	17,735,909
14											
15	Weighted Average Cost of Debt										6.57%
16											
17	BLACK HILLS CORP. DEBT										
18	\$250MM Notes Due 2013 (3)	5/21/2003	5/15/2013	250,000,000	6.79%	248,052,500	0.9922	6.79%	6.84%	-	8,759,571
19	\$250MM Notes Due 2014 (4)	5/14/2009	5/15/2014	250,000,000	9.18%	248,500,000	0.9940	9.18%	9.24%	250,000,000	23,100,000
20	\$200MM Notes Dues 2020 (5)	7/16/2010	7/15/2020	200,000,000	5.96%	198,700,000	0.9935	5.96%	6.00%	200,000,000	12,000,000
21	\$100MM Term Loan (6)	9/30/2011	9/30/2013	100,000,000	(7)	100,000,000	(7)	(7)	(7)	-	1,186,979
22	\$275M Term Loan (7)	6/21/2013	6/19/2015	275,000,000	(7)	275,000,000	(7)	(7)	(7)	275,000,000	1,096,935
23											
24	(1) Identified bonds have been paid off. However, FERC allows for DFC or LRD costs to be amortized over the original life of the bond. Annual costs reflect actual costs incurred.										
25	(2) The Series 1994A bonds have a variable component that resets weekly. The rate reflected is the average interest rate for the test year period.										
26	(3) Note was issued by BHC, but was allocated through BH Utility Holding Company to the BHE entities. \$25M was paid off in May 2004 and the remaining \$225M was paid off on Oct. 31, 2012. Costs reflected were for the period of Oct 2012 and include \$7,069,500 make-whole provision.										
27	(4) Note was issued by BHC in May 2009, but was allocated through BH Utility Holding Company to the BHE entities.										
28	(5) Note was issued by BHC in July 2010, but is allocated to Colorado Electric.										
29	(6) Cost of borrowing has fixed and variable rate components, with the variable rate based on Libor. The \$100M term loan was paid off by \$275M tranche on June 21, 2013. Costs reflected are for the period of Oct. 1, 2012 - June 21, 2013.										
30	(7) Cost of borrowing has fixed (1.125%) and variable rate components (Libor). Rate as of Sept. 30, 2013 was 1.3125%. Costs reflected are for the period of June 21 - Sept. 30, 2013.										

BLACK HILLS POWER, INC.
PRO FORMA DEBT CAPITAL
For the Pro Forma Test Year Ended September 30, 2013

Statement G
Page 3 of 5

Line No.	(a) Description	(b) Issue	(c) Maturity	(d) Amount Issued	(e) Interest Rate	(f) Net Proceeds Amount	(g) (f) / (d) Per Unit	(h) (e) Yield to Maturity	(i) (h) / (g) Cost of Money	(j) Principal Outstanding	(k) Annual Cost
1	BLACK HILLS POWER										
2	FIRST MORTGAGE BONDS:										
3	Series AE	8/13/2002	8/15/2032	75,000,000	7.36%	74,343,750	0.9913	7.36%	7.42%	75,000,000	5,565,000
4	Series AF	10/27/2009	11/1/2039	180,000,000	6.17%	178,300,800	0.9906	6.17%	6.23%	180,000,000	11,214,000
5	Series Y (Note 1)	6/15/1998	6/15/2018	6,000,000	9.49%	5,906,578	0.9844	9.49%	9.64%	-	11,109
6	Series Z (Note 1)	5/29/1991	5/29/2021	35,000,000	9.35%	34,790,305	0.9940	9.35%	9.41%	-	84,828
7	Series AB (Note 1)	9/1/1999	9/1/2024	45,000,000	8.30%	44,507,250	0.9891	8.30%	8.39%	-	116,828
8	New Financing (Note 3)	10/1/2014	10/1/2044	50,000,000	5.67%	49,000,000	0.9800	5.67%	5.79%	50,000,000	2,895,000
9											
10	OTHER BONDS:										
11	Series 94A Gillette (Note 2)	6/15/1994	6/1/2024	3,000,000	1.25%	2,930,057	0.9767	1.25%	1.28%	2,855,000	36,544
12	Series 2004 Campbell County due 2024	10/1/2004	10/1/2024	12,200,000	5.74%	12,062,750	0.9888	5.74%	5.80%	12,200,000	707,600
13											
14	Total Outstanding									320,055,000	20,630,909
15											
16	Weighted Average Cost of Debt										6.45%
17											
18	BLACK HILLS CORP. DEBT										
19	\$525MM Notes Due 2023 (4)	11/19/2013	11/30/2023	525,000,000	4.40%	519,120,000	0.9888	4.40%	4.45%	525,000,000	23,362,500
20	\$200MM Notes Dues 2020 (5)	7/16/2010	7/15/2020	200,000,000	5.96%	198,700,000	0.9935	5.96%	6.00%	200,000,000	12,000,000
21	\$275M Term Loan (6)	6/21/2013	6/19/2015	275,000,000	(6)	275,000,000	(6)	(6)	(6)	275,000,000	-
22											

23 (1) Identified bonds have been paid off. However, FERC allows for DFC or LRD costs to be amortized over the original life of the bond. Annual costs reflect actual costs incurred.
24 (2) The Series 1994A bonds have a variable component that resets weekly. The rate reflected is the average interest rate for the test year period.
25 (3) New tranche expected October 2014 to finance BHP's portion of Cheyenne Prairie Generating Station. 30-year maturity expected. DFC's estimated at 2% of amount issued.
26 (4) Note was issued by BHC in November 2013. Proceeds used to finance BHE Utilities and BHC non-regulated business segment.
27 (5) Note was issued by BHC in July 2010, but is allocated to Colorado Electric.
28 (6) Term loan is used to finance BHW and BH-JPP. Cost of borrowing has a fixed (1.125%) and variable rate component (Libor). Rate as of Sept. 30, 2013 was 1.3125%.

BLACK HILLS POWER, INC.
COST OF PREFERRED STOCK
For the Test Year Ended September 30, 2013

Line No.	Policy Description
1	No preferred stock as of September 30, 2013.

BLACK HILLS CORPORATION
SALE OF COMMON STOCK
For the Period January 1, 2008 Through September 30, 2013

Statement G
Page 5 of 5

Line No.	Description	Number of Shares Issued	Gross Proceeds at Offering Price	Underwriter's Discount	Proceeds to Black Hills Corporation	Issuance Expense	Net Proceeds	Offering Price Per Share	Net Proceeds Per Share	Book value Per Share	Closing Mkt Price Per Latest Trading Date Prior to Date of Issuance	Earnings/Share at Date of Issuance	Dividend Rate at Date of Issuance	Public or Subscribed Issue
1	BLACK HILLS CORPORATION													
2														
3	Year 2008													
4	Stock Options	90,214	2,266,176	-	2,266,176	-	2,266,176	25.12	25.12	27.19	26.96	2.75	1.40	Private
5														
6	Year 2009													
7	Stock Options	78,917	1,740,013	-	1,740,013	-	1,740,013	22.05	22.05	27.84	26.63	2.11	1.42	Private
8	DRIP (Note 1)	143,332	3,100,929	-	3,100,929	-	3,100,929	21.63	21.63	27.84	26.63	2.11	1.42	Subscribed by Shareholders
9														
10	Year 2010													
11	Stock Options	43,000	1,034,330	-	1,034,330	-	1,034,330	24.05	24.05	28.02	30.00	1.76	1.44	Private
12	DRIP (Note 1)	106,289	3,142,531	-	3,142,531	-	3,142,531	29.57	29.57	28.02	30.00	1.76	1.44	Subscribed by Shareholders
13														
14	Year 2011													
15	Stock Options	33,285	1,009,313	-	1,009,313	-	1,009,313	30.32	30.32	27.55	33.58	1.24	1.46	Private
16	DRIP (Note 1)	102,512	3,201,268	-	3,201,268	-	3,201,268	31.23	31.23	27.55	33.58	1.24	1.46	Subscribed by Shareholders
17	Equity Issuance	4,413,519	131,302,190	-	119,600,000	-	119,600,000	29.75	27.10	27.51	33.71	1.24	1.46	Private
18														
19	Year 2012													
20	Stock Options	100,654	2,838,978	-	2,838,978	-	2,838,978	28.21	28.21	27.84	36.34	1.85	1.48	Private
21	DRIP (Note 1)	100,741	3,382,857	-	3,382,857	-	3,382,857	33.58	33.58	27.84	36.34	1.85	1.48	Subscribed by Shareholders
22														
23	As of September 2013													
24	Stock Options	63,605	1,965,135	-	1,965,135	-	1,965,135	30.90	30.90	28.99	49.86	2.18	1.14	Private
25	DRIP (Note 1)	51,551	2,352,463	-	2,352,463	-	2,352,463	45.63	45.63	28.99	49.86	2.18	1.14	Subscribed by Shareholders
26														
27														
28	Note 1: DRIP is the Company's Dividend Reinvestment Plan.													

BLACK HILLS POWER, INC.
STOCK DIVIDENDS, STOCK SPLITS, OR CHANGES IN PAR VALUE OF COMMON STOCK
For the Period January 1, 2008 Through September 30, 2013

Schedule G-1
Page 1 of 1

Line No.	Year	Stock Dividends	Stock Splits	Changes in Par Value
1	2008	N/A	N/A	N/A
2	2009	N/A	N/A	N/A
3	2010	N/A	N/A	N/A
4	2011	N/A	N/A	N/A
5	2012	N/A	N/A	N/A
6	9/30/2013	N/A	N/A	N/A

BLACK HILLS POWER, INC.
COMMON STOCK INFORMATION
For the Period January 1, 2008 Through September 30, 2013

Schedule G-2
Page 1 of 1

Line No.	Period	Average Shares Outstanding	Earnings Per Average Share (Note 1)	Dividends Per Share (Note 2)	Dividends as a % of Earnings	BHP Market Price at End of Year	BHP Price/Earnings Ratio	BHP Dividend Yield
1	2008	23,416,396	\$ 0.97	\$ -	0%	N/A	N/A	N/A
2	2009	23,416,396	\$ 0.99	\$ -	0%	N/A	N/A	N/A
3	2010	23,416,396	\$ 1.34	\$ -	0%	N/A	N/A	N/A
4	2011	23,416,396	\$ 1.16	\$ -	0%	N/A	N/A	N/A
5	2012	23,416,396	\$ 1.16	\$ -	0%	N/A	N/A	N/A
6								
7	Oct-12	23,416,396	\$ 0.26	\$ -	0%	N/A	N/A	N/A
8	Nov-12	23,416,396	\$ 0.26	\$ -	0%	N/A	N/A	N/A
9	Dec-12	23,416,396	\$ 0.26	\$ -	0%	N/A	N/A	N/A
10	Jan-13	23,416,396	\$ 0.24	\$ -	0%	N/A	N/A	N/A
11	Feb-13	23,416,396	\$ 0.24	\$ -	0%	N/A	N/A	N/A
12	Mar-13	23,416,396	\$ 0.24	\$ -	0%	N/A	N/A	N/A
13	Apr-13	23,416,396	\$ 0.28	\$ -	0%	N/A	N/A	N/A
14	May-13	23,416,396	\$ 0.28	\$ -	0%	N/A	N/A	N/A
15	Jun-13	23,416,396	\$ 0.28	\$ -	0%	N/A	N/A	N/A
16	Jul-13	23,416,396	\$ 0.40	\$ -	0%	N/A	N/A	N/A
17	Aug-13	23,416,396	\$ 0.40	\$ -	0%	N/A	N/A	N/A
18	Sep-13	23,416,396	\$ 0.40	\$ -	0%	N/A	N/A	N/A
19								
20								

21 Note 1: Earnings Per Average Share excludes net income of discontinued operations.

22 Note 2: Monthly Dividends Per Share are computed on the current quarter and preceding three quarters.

BLACK HILLS POWER, INC.
REACQUISITION OF BONDS OR PREFERRED STOCK
For the 18 Month Period Prior to Filing

<u>Line No.</u>	<u>Policy Description</u>
1	Black Hills Power did not reacquire any bonds or preferred stock in the 18 months prior
2	to filing.

BLACK HILLS POWER, INC.
EARNINGS PER SHARE FOR CLAIMED RATE OF RETURN
For the Test Year Ended September 30, 2013

Schedule G-4
Page 1 of 1

Line No.	Description	Reference	Amount
1	Common Equity	Stmt. G pg. 1 Ln. 16(a)	\$ 365,592,883
2	Return - Percentage	Stmt. G pg. 1 Ln. 3(c)	10.25%
3	Return - Amount	Ln. 1 * Ln. 2	<u>\$ 37,473,271</u>
4			
5	Common Shares Outstanding September 30, 2013	Sched. G-2 Ln.18	23,416,396
6			
7	Earnings Per Common Share - Black Hills Power	Ln. 3 / Ln. 5	<u><u>\$ 1.60</u></u>

Section H

20:10:13:80. Statement H -- Operation and Maintenance Expense. Statement H shall show the electric or gas operation and maintenance expenses according to each account of the FERC's uniform systems of accounts for public utilities and licensees or for gas companies. The expenses shall be shown under appropriate columnar headings as follows, with subtotals for each functional classification:

- (1) Operation and maintenance expense as booked, for the test period and the total for the test period;
- (2) Claimed adjustments, if any, to expenses as booked;
- (3) Total adjusted operation and maintenance expenses claimed.

Detailed explanations of the adjustments, if any, and the manner of their determination shall be supplied, specifying the month or months during which the adjustments would be applicable. Information required in §§ 20:10:13:81 to 20:10:13:84, inclusive, shall be submitted as part of statement H.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

A summary of the Schedule H schedules/adjustments descriptions are listed below:

1. Wages and Salaries Adjustment
2. Purchased Power Detail Listing
3. Listed Expense Accounts
4. Intercompany Black Hills Service Company Charges
5. Intercompany Black Hills Utility Holdings Charges
6. Employee Pension and Benefits Adjustment
7. Bad Debt Adjustment
8. Generation Dispatch and Scheduling Cost Detail
9. Energy Cost Adjustment Expense Elimination
10. Neil Simpson Complex Shared Facilities Adjustment
11. Removal of Unallowed Advertising Expense
12. Power Marketing Expense Adjustment
13. Outside Consulting Related to Rate Case
14. Vegetation Management Adjustment
15. CPGS Operations and Maintenance Adjustment

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

16. Ben French - Severance Expense Adjustment
17. Neil Simpson Complex – Common Steam Allocation
18. Ben French, Osage, and Neil Simpson I O&M Elimination Adjustment
19. FutureTrack Workforce Development Program
20. 69 kV LIDAR Surveying Project
21. Customer Service Model Adjustment

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

20:10:13:81. Schedule H-1 -- Adjustments to Operating and Maintenance Expenses.

Schedule H-1 shall show the 12 months of actual test period experience and the claimed adjustments thereto, if any, by functional classifications. It shall also show the separate amounts for labor and other charges included in the operation and maintenance expenses for each functional classification per books and as adjusted. If operation and maintenance expenses as presented per the books reflect any special accrual or equalization accounting entries for internal purposes, the effect thereof shall be fully disclosed and explained. Any amounts not currently payable, except depreciation charged through clearing accounts included in operation and maintenance expenses, shall be fully explained.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

This Schedule shows the wages and salaries adjustment, including union and non-union wage increases, removal of Neil Simpson I labor costs and employee additions.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

20:10:13:82. Schedule H-2 -- Cost of Power and Gas. Schedule H-2 shall show the total annual cost of power or gas purchased for the 12 months test period of actual experience, the claimed adjustments, if any, and the total adjusted cost for the test period detailed by contract or rate schedule designation. If any of the prices are effective subject to refund, there shall be shown by contract and by commission docket number for the test period, the rate and the amount paid subject to refund.

If the utility purchases and sells power under exchange or pooling agreements, the method of recording on books, total gross receipts and deliveries exchanged, total gross dollar amounts involved for such receipts and deliveries and details of such exchanges shall be submitted.

If the utility records any amount on its own books in a given month during the 12-month test period which applies to power or gas purchases or sales for a previous month or other period, a schedule indicating the months involved, the payment and volumes and the months to which such transactions are applicable, shall be submitted.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

20:10:13:83. Schedule H-3 -- Working Papers for Listed Expense Accounts. With respect to the following listed expense accounts, schedule H-3 shall be furnished as designated for the 12 months of the test period and for claimed adjustments. This schedule shall include analytical details which will clearly disclose for each account a classification of principal charges and credits with all minor items grouped; particulars of supporting computations and accounting bases; a description of the services and related dollar amounts for which liability is incurred or accrued; and the name of the firm or individual rendering such services for these accounts where applicable:

(1) Accounts 909, 913, and 930, advertising expenses. For each category of advertising expense required to be filed pursuant to § 20:10:23:02 the utility shall submit a list of all advertisements claimed and filed pursuant to § 20:10:23:03, indicating the categorization of each advertisement. Representative samples of each category shall also be included.

(2) Account 922, administration expenses transferred -- credit;

(3) Account 926, employee pensions and benefits;

(4) Account 928, regulatory commission expenses;

(5) Account 929, duplicate charges -- credit;

(6) Account 930, miscellaneous general expenses.

Source: 2 SDR 90, effective July 7, 1976; 5 SDR 1, effective July 25, 1978; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

20:10:13:84. Schedule H-4 -- Working Papers for Interdepartmental Transactions.

If the expense accounts contain charges or credits from associated companies or nonutility departments of the utility, schedule H-4 shall be submitted for each such associated company or nonutility department showing the following:

- (1) The amount of the charges or credits during the test period;
- (2) The FERC account classification or classifications charged or credited;
- (3) Descriptions of the specific services performed for or by the associated company or nonutility department;
- (4) Complete particulars as to the bases used in determining the amounts of the charges or credits.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

This Schedule shows amounts charges by Black Hills Service Company to Black Hills Power for the twelve months ending September 30, 2013.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-5 – Intercompany Transactions Adjustment. This Schedule shows amounts charges by Black Hills Utility Holdings to Black Hills Power for the twelve months ending September 30, 2013, along with the pro forma adjustment. The total increase is shown as an adjustment in column (c), and is adjusted in Statement H, column (c).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-6 – Employee Pension and Benefits Adjustment. This Schedule adjusts the per books benefit costs in column (a) to a pro forma benefit cost in column (b). The total increase is shown as an adjustment in column (c), and is adjusted in Statement H, column (d).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-7 – Bad Debt Adjustment. This Schedule represents the calculation to normalize bad debt expense using a three year historical period. Once calculated, the average rate is applied to the adjusted revenue amount to determine the expected bad debt expense. The decrease to bad debt expense is adjusted in Statement H, column (e).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-8 – Generation Dispatch and Scheduling Cost Detail. This Schedule shows the calculation of generation dispatch and scheduling costs. Lines 2 – 10 show the total amount related to generation dispatch and scheduling for the pro forma test year. Total generation dispatch costs are then allocated based on a power plant capacity. The percent of capacity that is related to Black Hills Power is on line 61 and is multiplied by line 10 to determine the amount of expense for Black Hills Power. This amount is compared to the amount recorded during the test year, and the difference is shown on line 73, and is adjusted in Statement H, column (f).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-9 – Energy Cost Adjustment Expense Elimination. This Schedule removes all the costs that are collected through the Energy Cost Adjustment from the test year. This decrease is adjusted in Statement H, column (g).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-10 – Neil Simpson Complex Shared Facilities Adjustment. This Schedule compares Black Hills Power's per books expenses for the Neil Simpson Complex Shared Facilities to the pro forma expenses based on pooled expensed net capacity allocators. The difference is shown on line 23 and adjusted in Statement H, column (h).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-11 – Removal of Unallowed Advertising Expense. This Schedule summarizes the advertising costs by FERC account that have been removed from the test year. The total decrease is shown as an adjustment on Line 14, and is adjusted in Statement H, column (i).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-12 – Power Marketing Expense Adjustment. This schedule adjusts expenses related to Power Marketing. The total decrease is shown as an adjustment on Line 12, and is adjusted in Statement H, column (j).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-13 – Outside Consulting Related to Rate Case. This Schedule is a listing of expected rate case expenditures. One-third of the total amount, plus the annual amortization established in Docket EL12-061, is going to an expense, as an adjustment on Statement H, column (k) and the remaining unamortized amount is taken to line 10 on Statement D page 2, column (b) and included as rate base.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-14 – Vegetation Management Adjustment. This Schedule adjusts the test year costs related to vegetation management to the amount approved in the Stipulation in Docket EL12-061. The decrease is adjusted in Statement H, column (I).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-15 – CPGS Operations and Maintenance Adjustment. This Schedule provides a listing by FERC account of projected expenses to operate and maintain CPGS during a normal year. The total expense is shown on line 14 and is adjusted in Statement H, column (m).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-16 – Ben French - Severance Expense Adjustment. This Schedule provides for the removal of severance payments for Ben French plant employees in the test year. The adjustment is on Statement H, column (n).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-17 – Neil Simpson Complex – Common Steam Allocation. This Schedule shows the calculation of costs related to Neil Simpson Complex Common Steam Facilities. Lines 1 – 9 show the total amount for the pro forma test year. Total costs are then allocated based on power plant capacity. The percent of capacity that is related to Black Hills Power is on line 27 and is multiplied by line 9 to determine the amount of expense for Black Hills Power. This amount is compared to the amount recorded during the test year, and the difference is shown on line 33, and is adjusted in Statement H, column (o).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-18 – Ben French, Osage, and Neil Simpson I O&M Elimination Adjustment. This Schedule provides for the removal of operating and maintenance expenses related to discontinuance of operations at the Ben French, Osage, and Neil Simpson I power plants. The adjustment is on Statement H, column (p).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-19 – FutureTrack Workforce Development Program. This Schedule reflects the annual expenses by FERC account associated with the FutureTrack Workforce Development Program. The adjustment is on Statement H, column (q).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-20 – 69 kV LIDAR Surveying Project. This Schedule adjusts for Black Hills Power's LIDAR surveying project on its 69 kV transmission system. The amortized amount on line 6 is adjusted on Statement H, column (r) and the unamortized amount on line 11 is included in Other Rate Base Reductions in Statement M, column (b).

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section H

Schedule H-21 – Customer Service Model Adjustment. This Schedule reflects the cost reductions as a result of Black Hills Power's customer service model changes. The total decrease is adjusted in Statement H, column (s).

BLACK HILLS POWER, INC.
OPERATING AND MAINTENANCE EXPENSES
For the Pro Forma Test Year Ended September 30, 2013

Statement H
Page 1 of 6

Line No.	FERC Acct. #	Description	Adjustments																			
			(a) Per Books	(b) Sched H-1	(c) Sched H-5	(d) Sched H-6	(e) Sched H-7	(f) Sched H-8	(g) Sched H-9	(h) Sched H-10	(i) Sched H-11	(j) Sched H-12										
1		Steam Production Operation:																				
2	500	Supervision & Engineering	\$ 1,842,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3	501	Fuel	861,472	-	-	-	-	-	-	-	(828,225)	-	-	-	-	-	-	-	-	-	-	
4	501.1	Steam Power Fuel - Gas	201,197	-	-	-	-	-	-	-	(200,869)	-	-	-	-	-	-	-	-	-	-	
5	501.2	Steam Power Fuel - Oil	360,940	-	-	-	-	-	-	-	(102,022)	-	-	-	-	-	-	-	-	-	-	
6	501.3	Steam Power Fuel - Coal	18,937,520	-	-	-	-	-	-	-	(16,351,171)	-	-	-	-	-	-	-	-	-	(717,714)	
7	501.4	Steam Power Fuel - Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	502	Steam Expense	2,806,144	444,615	-	-	-	-	-	-	(1,011,946)	-	-	-	-	-	-	-	-	-	-	
9	505	Electric Expense	1,308,594	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	506	Miscellaneous	894,759	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	507	Rent	2,405,734	-	-	-	-	-	-	-	-	-	655,113	-	-	-	-	-	-	-	-	
12	509	Allowances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13		Total Steam Production Operation	29,618,514	444,615	-	-	-	-	-	-	(18,494,233)	655,113	-	(717,714)								
14																						
15		Steam Production Maintenance:																				
16	510	Supervision & Engineering	1,454,714	295,658	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	511	Structures	820,283	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	512	Boilers	3,555,970	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	513	Electric Plant	787,972	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	514	Miscellaneous Plant	154,760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21		Total Steam Production Maintenance	6,773,700	295,658	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22																						
23		Total Steam Production Expense	36,392,214	740,273	-	-	-	-	-	-	(18,494,233)	655,113	-	(717,714)								
24																						
25		Other Production Operation:																				
26	546	Supervision & Engineering	251,045	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	547	Fuel	2,623,531	-	-	-	-	-	-	-	(1,759,552)	-	-	-	-	-	-	-	-	-	(863,979)	
28	548	Generation Expense	541,835	52,540	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	549	Miscellaneous	138,273	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	550	Rents	227,411	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31		Total Other Production Operation	3,782,095	52,540	-	-	-	-	-	-	(1,759,552)	-	-	-	-	-	-	-	-	-	(863,979)	
32																						
33		Other Production Maintenance:																				
34	551	Supervision & Engineering	198,959	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	552	Structures	7,229	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	553	Electric Plant	1,068,053	41,726	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	554	Miscellaneous Plant	89,367	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	556	System Control and Load Dispatch	1,409,474	-	(42,735)	-	-	-	-	107,964	-	-	-	-	-	-	-	-	-	-	(213,765)	
39	557	Other Expenses	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40		Total Other Production Maintenance	2,775,081	41,726	(42,735)	-	-	-	-	107,964	-	-	-	-	-	-	-	-	-	-	(213,765)	
41																						
42		Total Other Production Expense	6,557,176	94,266	(42,735)	-	-	-	-	107,964	(1,759,552)	-	-	-	-	-	-	-	-	-	(1,077,744)	
43																						
44		Other Power Supply:																				
45	555	Purchased Power - Energy	38,497,099	-	-	-	-	-	-	-	(13,266,017)	-	-	-	-	-	-	-	-	-	(25,231,082)	
46	555	Purchased Power - Capacity	7,192,960	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47		Total Other Power Supply	45,690,059	-	-	-	-	-	-	-	(13,266,017)	-	-	-	-	-	-	-	-	-	(25,231,082)	
48																						
49		Total Production Expenses	88,639,450	834,539	(42,735)	-	-	-	-	107,964	(33,519,802)	655,113	-	(27,026,540)								
50																						
51		Transmission Operations:																				
52	560	Supervision & Engineering	746,053	-	128,916	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	561	Load Dispatch	2,203,505	-	284,163	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BLACK HILLS POWER, INC.
OPERATING AND MAINTENANCE EXPENSES
For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	Per Books	Adjustments								
				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
				Sched H-1	Sched H-5	Sched H-6	Sched H-7	Sched H-8	Sched H-9	Sched H-10	Sched H-11	Sched H-12
54	562	Station Equipment	280,360	35,110	-	-	-	-	-	-	-	-
55	563	Overhead Lines	80,121	-	-	-	-	-	-	-	-	-
56	565	Transmission of Electricity by Others	18,741,890	-	-	-	-	-	(17,732,568)	-	-	(1,009,322)
57	566	Miscellaneous	131,053	-	-	-	-	-	-	-	-	-
58	567	Rents	-	-	-	-	-	-	-	-	-	-
59		Total Transmission Operations	22,182,983	35,110	413,079	-	-	-	(17,732,568)	-	-	(1,009,322)
60												
61		Transmission Maintenance:										
62	568	Supervision & Engineering	55	-	-	-	-	-	-	-	-	-
63	569	Structures	-	-	-	-	-	-	-	-	-	-
64	570	Station Equipment	143,595	7,469	-	-	-	-	-	-	-	-
65	571	Overhead Lines	76,749	-	-	-	-	-	-	-	-	-
66	572	Underground Lines	-	-	-	-	-	-	-	-	-	-
67	573	Miscellaneous	1,108	-	-	-	-	-	-	-	-	-
68		Total Transmission Maintenance	221,506	7,469	-	-	-	-	-	-	-	-
69												
70		Total Transmission Expenses	22,404,489	42,579	413,079	-	-	-	(17,732,568)	-	-	(1,009,322)
71												
72		Distribution Operations:										
73	580	Supervision	1,411,833	245,746	-	-	-	-	-	-	-	-
74	581	Load Dispatch	296,825	-	344,724	-	-	-	-	-	-	-
75	582	Station Equipment	449,127	-	-	-	-	-	-	-	-	-
76	583	Overhead Lines	486,016	-	-	-	-	-	-	-	-	-
77	584	Underground Lines	305,099	-	-	-	-	-	-	-	-	-
78	585	Street Lighting	1	-	-	-	-	-	-	-	-	-
79	586	Metering	786,540	-	-	-	-	-	-	-	-	-
80	587	Customer Installations	22,761	-	-	-	-	-	-	-	-	-
81	588	Miscellaneous	366,951	-	-	-	-	-	-	-	-	-
82	589	Rents	17,727	-	-	-	-	-	-	-	-	-
83		Total Distribution Operations	4,142,880	245,746	344,724	-	-	-	-	-	-	-
84												
85		Distribution Maintenance:										
86	590	Supervision	1,250	-	-	-	-	-	-	-	-	-
87	591	Structures	-	-	-	-	-	-	-	-	-	-
88	592	Station Equipment	287,790	-	-	-	-	-	-	-	-	-
89	593	Overhead Lines	3,459,372	146,514	21,799	-	-	-	-	-	-	-
90	594	Underground Lines	234,388	-	-	-	-	-	-	-	-	-
91	595	Transformers	47,646	-	-	-	-	-	-	-	-	-
92	596	Street Lighting	56,846	-	-	-	-	-	-	-	-	-
93	597	Metering	69,156	-	-	-	-	-	-	-	-	-
94	598	Miscellaneous	94,932	-	-	-	-	-	-	-	-	-
95		Total Distribution Maintenance	4,251,379	146,514	21,799	-	-	-	-	-	-	-
96												
97		Total Distribution Expenses	8,394,259	392,260	366,523	-	-	-	-	-	-	-
98												
99		Customer Accounting Expense:										
100	901	Supervision	54,121	-	-	-	-	-	-	-	(963)	-
101	902	Meter Reading	19,927	-	-	-	-	-	-	-	-	-
102	903	Customer Records and Collection Expenses	1,589,608	85,749	(250,952)	-	-	-	-	-	(274)	-
103	904	Uncollectible Accounts	440,879	-	-	-	(20,937)	-	-	-	-	-
104	905	Miscellaneous	603,770	-	-	-	-	-	-	-	-	-
105		Total Customer Accounting Expense	2,708,305	85,749	(250,952)	-	(20,937)	-	-	-	(1,237)	-
106												

BLACK HILLS POWER, INC.
OPERATING AND MAINTENANCE EXPENSES
For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	Adjustments													
			(a) Per Books	(b) Sched H-1	(c) Sched H-5	(d) Sched H-6	(e) Sched H-7	(f) Sched H-8	(g) Sched H-9	(h) Sched H-10	(i) Sched H-11	(j) Sched H-12				
107		Customer Service Expense:														
108	907	Supervision	204,020	-	-	-	-	-	-	-	-	-	-	-	-	-
109	908	Customer Assistance	1,169,153	52,709	-	-	-	-	-	-	-	-	(10,097)	-	-	-
110	909	Advertisement	12,439	-	-	-	-	-	-	-	-	-	-	-	-	-
111	910	Miscellaneous	70,687	-	-	-	-	-	-	-	-	-	(9,514)	-	-	-
112		Total Customer Service Expense	1,456,300	52,709	-	-	-	-	-	-	-	-	(19,611)	-	-	-
113																
114		Total Customer Expenses	4,164,605	138,458	(250,952)	-	(20,937)	-	-	-	-	-	(20,848)	-	-	-
115																
116		Sales Expense:														
117	912	Demonstrating and Selling Expenses	30,262	-	-	-	-	-	-	-	-	-	(314)	-	-	-
118	913	Advertising Expenses	46	-	-	-	-	-	-	-	-	-	(46)	-	-	-
119		Total Sales Expense	30,308	-	-	-	-	-	-	-	-	-	(360)	-	-	-
120																
121		Administrative & General Expense:														
122	920	Administrative Salaries	17,764,852	280,908	1,073,315	-	-	-	-	-	-	-	-	-	-	-
123	921	Office Supplies & Expense	3,390,683	-	144,943	-	-	-	-	-	-	-	(20,593)	-	-	-
124	922	A&G Expense Transferred	(43,983)	-	-	-	-	-	-	-	-	-	-	-	-	-
125	923	Outside Services	2,478,226	-	424,111	-	-	-	-	-	-	-	(591)	-	-	-
126	924	Property Insurance	797,583	-	58,774	-	-	-	-	-	-	-	-	-	-	-
127	925	Injuries and Damages	2,599,153	-	(29,886)	-	-	-	-	-	-	-	-	-	-	-
128	926	Pensions & Benefits	214,670	-	162,170	334,319	-	-	-	-	-	-	-	-	-	-
129	928	Regulatory Commission	550,134	-	-	-	-	-	-	-	-	-	-	-	-	-
130	930.1	General Advertising	253,269	-	-	-	-	-	-	-	-	-	(215,449)	-	-	-
131	930.2	Miscellaneous General	1,244,344	-	26,927	-	-	-	-	-	-	-	(1,099)	-	-	-
132	931	Rents	562,807	-	(17,768)	-	-	-	-	-	-	-	-	-	-	-
133	935	Maintenance of General Plant	1,283,197	-	(25,482)	-	-	-	-	-	-	-	-	-	-	-
134		Total Administrative & General Expense	31,094,936	280,908	1,817,104	334,319	-	-	-	-	-	-	(237,732)	-	-	-
135																
136		Total Operating & Maintenance Expense	\$ 154,728,047	\$ 1,688,744	\$ 2,303,019	\$ 334,319	\$ (20,937)	\$ 107,964	\$ (51,252,370)	\$ 655,113	\$ (258,940)	\$ (28,035,862)				
137																
138																
139																
140		Sched H-1	Wages and Salaries Adjustment													
141		Sched H-5	Intercompany Black Hills Utility Holdings Charges													
142		Sched H-6	Employee Pension and Benefits Adjustment													
143		Sched H-7	Bad Debt Adjustment													
144		Sched H-8	Generation Dispatch and Scheduling Cost Detail													
145		Sched H-9	Energy Cost Adjustment Expense Elimination													
146		Sched H-10	Neil Simpson Complex Shared Facilities Adjustment													
147		Sched H-11	Removal of Unallowed Advertising Expense													
148		Sched H-12	Power Marketing Expense Adjustment													
149		Sched H-13	Outside Consulting Related to Rate Case													
150		Sched H-14	Vegetation Management Adjustment													
151		Sched H-15	CPGS O&M Adjustment													
152		Sched H-16	Ben French - Severance Expense Adjustment													
153		Sched H-17	Neil Simpson Complex Common Steam Allocation													
154		Sched H-18	Ben French, Osage, and Neil Simpson I Elimination Adjustment													
155		Sched H-19	FutureTrack Workforce Development Program													
156		Sched H-20	69 kV LIDAR Surveying Project													
157		Sched H-21	Customer Service Model Adjustment													

BLACK HILLS POWER, INC.
OPERATING AND MAINTENANCE EXPENSES
For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	Adjustments									Sum((a):(s)) Adjusted Total
			(k) Sched H-13	(l) Sched H-14	(m) Sched H-15	(n) Sched H-16	(o) Sched H-17	(p) Sched H-18	(q) Sched H-19	(r) Sched H-20	(s) Sched H-21	
1		Steam Production Operation:										
2	500	Supervision & Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (87,978)	\$ -	\$ -	\$ -	\$ 1,754,177
3	501	Fuel	-	-	-	-	-	(33,247)	-	-	-	-
4	501.1	Steam Power Fuel - Gas	-	-	-	-	-	(328)	-	-	-	-
5	501.2	Steam Power Fuel - Oil	-	-	-	-	-	(258,918)	-	-	-	-
6	501.3	Steam Power Fuel - Coal	-	-	-	-	-	(1,868,635)	-	-	-	-
7	501.4	Steam Power Fuel - Transportation	-	-	-	-	-	-	-	-	-	-
8	502	Steam Expense	-	-	-	-	-	(186,767)	61,140	-	-	2,113,186
9	505	Electric Expense	-	-	-	-	-	(141,979)	-	-	-	1,166,615
10	506	Miscellaneous	-	-	-	-	-	(110,179)	-	-	-	784,580
11	507	Rent	-	-	-	-	-	(1,942)	-	-	-	3,058,905
12	509	Allowances	-	-	-	-	-	-	-	-	-	-
13		Total Steam Production Operation	-	-	-	-	-	(2,689,973)	61,140	-	-	8,877,463
14												
15		Steam Production Maintenance:										
16	510	Supervision & Engineering	-	-	-	-	-	(263,288)	-	-	-	1,487,084
17	511	Structures	-	-	-	-	-	(61,627)	-	-	-	758,656
18	512	Boilers	-	-	-	-	324,962	(532,948)	82,471	-	-	3,430,455
19	513	Electric Plant	-	-	-	-	-	(182,087)	-	-	-	605,885
20	514	Miscellaneous Plant	-	-	-	-	-	(23,263)	-	-	-	131,497
21		Total Steam Production Maintenance	-	-	-	-	324,962	(1,063,213)	82,471	-	-	6,413,578
22												
23		Total Steam Production Expense	-	-	-	-	324,962	(3,753,186)	143,611	-	-	15,291,040
24												
25		Other Production Operation:										
26	546	Supervision & Engineering	-	-	94,391	-	-	-	-	-	-	345,436
27	547	Fuel	-	-	-	-	-	-	-	-	-	-
28	548	Generation Expense	-	-	84,368	-	-	-	-	-	-	678,743
29	549	Miscellaneous	-	-	1,010,918	-	-	-	-	-	-	1,149,191
30	550	Rents	-	-	-	-	-	-	-	-	-	227,411
31		Total Other Production Operation	-	-	1,189,677	-	-	-	-	-	-	2,400,781
32												
33		Other Production Maintenance:										
34	551	Supervision & Engineering	-	-	6,490	-	-	-	-	-	-	205,449
35	552	Structures	-	-	89,492	-	-	-	-	-	-	96,721
36	553	Electric Plant	-	-	1,010,662	-	-	-	-	-	-	2,120,441
37	554	Miscellaneous Plant	-	-	485,148	-	-	-	-	-	-	574,515
38	556	System Control and Load Dispatch	-	-	-	-	-	-	-	-	-	1,260,938
39	557	Other Expenses	-	-	-	-	-	-	-	-	-	2,000
40		Total Other Production Maintenance	-	-	1,591,792	-	-	-	-	-	-	4,260,063
41												
42		Total Other Production Expense	-	-	2,781,469	-	-	-	-	-	-	6,660,844
43												
44		Other Power Supply:										
45	555	Purchased Power - Energy	-	-	-	-	-	-	-	-	-	-
46	555	Purchased Power - Capacity	-	-	-	-	-	-	-	-	-	7,192,960
47		Total Other Power Supply	-	-	-	-	-	-	-	-	-	7,192,960
48												
49		Total Production Expenses	-	-	2,781,469	-	324,962	(3,753,186)	143,611	-	-	29,144,845
50												
51		Transmission Operations:										
52	560	Supervision & Engineering	-	-	-	-	-	-	-	-	-	874,969
53	561	Load Dispatch	-	-	-	-	-	-	-	-	-	2,487,668

BLACK HILLS POWER, INC.
OPERATING AND MAINTENANCE EXPENSES
For the Pro Forma Test Year Ended September 30, 2013

Statement H
Page 5 of 6

Line No.	FERC Acct. #	Description	Adjustments									Sum((a):(s)) Adjusted Total	
			(k) Sched H-13	(l) Sched H-14	(m) Sched H-15	(n) Sched H-16	(o) Sched H-17	(p) Sched H-18	(q) Sched H-19	(r) Sched H-20	(s) Sched H-21		
54	562	Station Equipment	-	-	-	-	-	-	-	-	-	-	315,470
55	563	Overhead Lines	-	-	-	-	-	-	-	-	-	-	80,121
56	565	Transmission of Electricity by Others	-	-	-	-	-	-	-	-	-	-	-
57	566	Miscellaneous	-	-	-	-	-	-	-	-	-	-	131,053
58	567	Rents	-	-	-	-	-	-	-	-	-	-	-
59		Total Transmission Operations	-	-	-	-	-	-	-	-	-	-	3,889,282
60													
61		Transmission Maintenance:											
62	568	Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	55
63	569	Structures	-	-	-	-	-	-	-	-	-	-	-
64	570	Station Equipment	-	-	-	-	-	-	-	-	-	-	151,064
65	571	Overhead Lines	-	-	-	-	-	-	-	-	-	-	76,749
66	572	Underground Lines	-	-	-	-	-	-	-	-	-	-	-
67	573	Miscellaneous	-	-	-	-	-	-	-	-	-	-	1,108
68		Total Transmission Maintenance	-	-	-	-	-	-	-	-	-	-	228,975
69													
70		Total Transmission Expenses	-	-	-	-	-	-	-	-	-	-	4,118,257
71													
72		Distribution Operations:											
73	580	Supervision	-	-	-	-	-	-	77,834	-	-	-	1,735,413
74	581	Load Dispatch	-	-	-	-	-	-	-	-	-	-	641,549
75	582	Station Equipment	-	-	-	-	-	-	-	-	-	-	449,127
76	583	Overhead Lines	-	-	-	-	-	-	-	-	-	-	486,016
77	584	Underground Lines	-	-	-	-	-	-	-	-	-	-	305,099
78	585	Street Lighting	-	-	-	-	-	-	-	-	-	-	1
79	586	Metering	-	-	-	-	-	-	-	-	-	-	786,540
80	587	Customer Installations	-	-	-	-	-	-	-	-	-	-	22,761
81	588	Miscellaneous	-	-	-	-	-	-	-	-	-	-	366,951
82	589	Rents	-	-	-	-	-	-	-	-	-	-	17,727
83		Total Distribution Operations	-	-	-	-	-	-	77,834	-	-	-	4,811,184
84													
85		Distribution Maintenance:											
86	590	Supervision	-	-	-	-	-	-	-	-	-	-	1,250
87	591	Structures	-	-	-	-	-	-	-	-	-	-	-
88	592	Station Equipment	-	-	-	-	-	-	-	-	-	-	287,790
89	593	Overhead Lines	-	(401,420)	-	-	-	-	345,337	136,920	-	-	3,708,522
90	594	Underground Lines	-	-	-	-	-	-	-	-	-	-	234,388
91	595	Transformers	-	-	-	-	-	-	-	-	-	-	47,646
92	596	Street Lighting	-	-	-	-	-	-	-	-	-	-	56,846
93	597	Metering	-	-	-	-	-	-	-	-	-	-	69,156
94	598	Miscellaneous	-	-	-	-	-	-	-	-	-	-	94,932
95		Total Distribution Maintenance	-	(401,420)	-	-	-	-	345,337	136,920	-	-	4,500,529
96													
97		Total Distribution Expenses	-	(401,420)	-	-	-	-	423,171	136,920	-	-	9,311,713
98													
99		Customer Accounting Expense:											
100	901	Supervision	-	-	-	-	-	-	-	-	-	-	53,158
101	902	Meter Reading	-	-	-	-	-	-	-	-	-	-	19,927
102	903	Customer Records and Collection Expenses	-	-	-	-	-	-	-	-	(215,934)	-	1,208,197
103	904	Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-	419,942
104	905	Miscellaneous	-	-	-	-	-	-	-	-	-	-	603,770
105		Total Customer Accounting Expense	-	-	-	-	-	-	-	-	(215,934)	-	2,304,995
106													

004454

BLACK HILLS POWER, INC.
OPERATING AND MAINTENANCE EXPENSES
For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	Adjustments									(t) Sum((a):s)) Adjusted Total
			(k) Sched H-13	(l) Sched H-14	(m) Sched H-15	(n) Sched H-16	(o) Sched H-17	(p) Sched H-18	(q) Sched H-19	(r) Sched H-20	(s) Sched H-21	
107		Customer Service Expense:										
108	907	Supervision	-	-	-	-	-	-	-	-	-	204,020
109	908	Customer Assistance	-	-	-	-	-	-	99,223	-	-	1,310,988
110	909	Advertisement	-	-	-	-	-	-	-	-	-	12,439
111	910	Miscellaneous	-	-	-	-	-	-	-	-	-	61,173
112		Total Customer Service Expense	-	-	-	-	-	-	99,223	-	-	1,588,621
113												
114		Total Customer Expenses	-	-	-	-	-	-	99,223	-	(215,934)	3,893,616
115												
116		Sales Expense:										
117	912	Demonstrating and Selling Expenses	-	-	-	-	-	-	-	-	-	29,948
118	913	Advertising Expenses	-	-	-	-	-	-	-	-	-	(0)
119		Total Sales Expense	-	-	-	-	-	-	-	-	-	29,948
120												
121		Administrative & General Expense:										
122	920	Administrative Salaries	-	-	-	(180,861)	-	-	55,856	-	-	18,994,070
123	921	Office Supplies & Expense	-	-	-	-	-	-	-	-	-	3,515,033
124	922	A&G Expense Transferred	-	-	-	-	-	-	-	-	-	(43,983)
125	923	Outside Services	318,061	-	-	-	-	-	-	-	-	3,219,807
126	924	Property Insurance	-	-	-	-	-	-	-	-	-	856,357
127	925	Injuries and Damages	-	-	-	-	-	-	-	-	-	2,569,267
128	926	Pensions & Benefits	-	-	-	-	-	-	-	-	-	711,159
129	928	Regulatory Commission	-	-	-	-	-	-	-	-	-	550,134
130	930.1	General Advertising	-	-	-	-	-	-	-	-	-	37,820
131	930.2	Miscellaneous General	-	-	-	-	-	-	-	-	-	1,270,172
132	931	Rents	-	-	-	-	-	-	-	-	-	545,039
133	935	Maintenance of General Plant	-	-	-	-	-	-	-	-	-	1,257,715
134		Total Administrative & General Expense	318,061	-	-	(180,861)	-	-	55,856	-	-	33,482,591
135												
136		Total Operating & Maintenance Expense	\$ 318,061	\$ (401,420)	\$ 2,781,469	\$ (180,861)	\$ 324,962	\$ (3,753,186)	\$ 721,861	\$ 136,920	\$ (215,934)	\$ 79,980,969

- 140 Sched H-1 Wages and Salaries Adjustment
- 141 Sched H-5 Intercompany Black Hills Utility Holdings Charges
- 142 Sched H-6 Employee Pension and Benefits Adjustment
- 143 Sched H-7 Bad Debt Adjustment
- 144 Sched H-8 Generation Dispatch and Scheduling Cost Detail
- 145 Sched H-9 Energy Cost Adjustment Expense Elimination
- 146 Sched H-10 Neil Simpson Complex Shared Facilities Adjustment
- 147 Sched H-11 Removal of Unallowed Advertising Expense
- 148 Sched H-12 Power Marketing Expense Adjustment
- 149 Sched H-13 Outside Consulting Related to Rate Case
- 150 Sched H-14 Vegetation Management Adjustment
- 151 Sched H-15 CPGS O&M Adjustment
- 152 Sched H-16 Ben French - Severance Expense Adjustment
- 153 Sched H-17 Neil Simpson Complex Common Steam Allocation
- 154 Sched H-18 Ben French, Osage, and Neil Simpson I Elimination Adjustment
- 155 Sched H-19 FutureTrack Workforce Development Program
- 156 Sched H-20 69 kV LIDAR Surveying Project
- 157 Sched H-21 Customer Service Model Adjustment

BLACK HILLS POWER, INC.
WAGES AND SALARIES ADJUSTMENT
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	Wages and Salaries Adjustment		
2	January 28, 2014 Annualized Payroll		\$ 12,456,552
3	Adjust for Neil Simpson I Labor Costs		(746,475)
4	Wage Increases		620,092
5	Employee Additions\Eliminations		<u>1,410,540</u>
6	Total Pro Forma Payroll Expense	Sum(Ln. 2: Ln. 5)	13,740,709
7	Test Year Payroll Expense		<u>12,051,965</u>
8	Adjustment	Ln. 6 - Ln. 7	<u>1,688,744</u>

BLACK HILLS POWER, INC.
PURCHASED POWER DETAIL LISTING
For the Test Year Ended September 30, 2013

Schedule H-2
Page 1 of 1

Line No.	Purchased From	MWh	(a) Demand Charges	(b) Energy Charges	(c) (a) + (b) Total Costs
1	PacifiCorp - Colstrip Variable and Fixed Costs	323,855	7,329,844	6,245,600	13,575,444
2	PacifiCorp	239,876	-	5,323,422	5,323,422
3	Avista Water Power	2,400	-	44,680	44,680
4	Basin Electric	285,211	-	6,632,314	6,632,314
5	Black Hills/Basin Electric	434	-	21,506	21,506
6	Bonneville Power Administration	987	-	32,195	32,195
7	BP Energy Company	400	-	12,000	12,000
8	Burbank, City of	1,400	-	15,650	15,650
9	Cargill	64,059	-	2,006,564	2,006,564
10	Cheyenne Light Fuel & Power	139,768	-	3,791,292	3,791,292
11	Cheyenne Light Fuel & Power Wind Energy	101,459	-	5,085,247	5,085,247
12	Colorado Springs Utilities	11,584	-	433,791	433,791
13	Coral Power	6,891	-	170,937	170,937
14	Eagle Energy	12,600	-	285,130	285,130
15	El Paso Electric	101	-	3,841	3,841
16	Holy Cross	-	-	1,800	1,800
17	Idaho Power	10	-	250	250
18	Macquarie Energy LLC	200	-	3,400	3,400
19	Midwest ISO	-	-	3,618	3,618
20	Missouri River Energy Service	3,361	-	80,949	80,949
21	Morgan Stanley Capital Group	19,075	-	395,220	395,220
22	Municipal Energy Agency of Nebraska	6,173	-	203,512	203,512
23	Nevada Power	48	-	1,680	1,680
24	Northwestern Energy	1,865	-	39,585	39,585
25	Platte River Power Authority	70,751	-	1,623,097	1,623,097
26	Portland General Elec Company	1,115	-	41,650	41,650
27	PowerEx	90	-	4,295	4,295
28	PPL EnergyPlus	64,916	-	1,813,880	1,813,880
29	PPM/Iberdrola Renewable	14,200	-	275,600	275,600
30	Public Service of New Mexico	1,483	-	52,150	52,150
31	Puget Sound Energy	1,725	-	39,855	39,855
32	Rainbow Energy Marketing	803	-	15,729	15,729
33	Rocky Mountain Reserve Group	2,290	-	106,798	106,798
34	Salt River Project	1,078	-	40,841	40,841
35	Seattle City Light	400	-	3,200	3,200
36	Spearfish, (City of)	22,828	-	343,007	343,007
37	The Energy Authority	10,662	-	426,760	426,760
38	Tenaska Power	11,340	-	407,044	407,044
39	TranAlta Energy	1,600	-	30,550	30,550
40	Tri State Generation and Transmission	16,939	-	527,260	527,260
41	Tucson Electric	1,242	-	44,800	44,800
42	WAPA - Colorado River Storage Project	43,825	(136,884)	274,107	137,223
43	WAPA - Loveland Area Project	1,090	-	580,563	580,563
44	WAPA - Upper Great Plains Region	21,802	-	603,698	603,698
45	WAPA - WACM Loveland WACMM1	24,622	-	156,594	156,594
46	Xcel Energy - Public Service Co. of Colorado	12,233	-	412,577	412,577
47	Customer Generation	-	-	1,388	1,388
48	Interchange	-	-	(162,526)	(162,526)
49	Total	<u>1,548,791</u>	<u>\$ 7,192,960</u>	<u>\$ 38,497,100</u>	<u>\$ 45,690,060</u>

BLACK HILLS POWER, INC.
LISTED EXPENSE ACCOUNTS
For the Test Year Ended September 30, 2013

Schedule H-3
Page 1 of 2

Line No.	Description of Accounts	Reference	Per Books Amount
1	Federal Energy Regulatory Commission Account No. 909 (Note 1)		
2			
3	Informational Advertising		\$ 12,047
4	Miscellaneous Advertisement		392
5	TOTAL	Ln.3 + Ln.4	<u>\$ 12,439</u>
6			
7			
8	Federal Energy Regulatory Commission Account No. 913 (Note 1)		
9			
10	Sales Advertising Expenses		\$ 46
11	TOTAL		<u>\$ 46</u>
12			
13			
14	Federal Energy Regulatory Commission Account No. 922		
15			
16	Administrative Costs- Allocated (Note 2)		\$ (43,983)
17	TOTAL		<u>\$ (43,983)</u>
18			
19			
20	Federal Energy Regulatory Commission Account No. 926		
21			
22	401K		\$ 2,830,607
23	Pension		4,409,452
25	Educational Reimbursement		45,202
26	Relocation		47,541
27	Retirement Benefits		607,030
28	Benefits- Allocated (Note 3)		(7,754,702)
29	Consulting Fees		29,540
30	TOTAL	Sum (Ln.22:Ln.29)	<u>\$ 214,670</u>

33 Note 1: Disallowed advertising expenses are eliminated at Schedule H-11.
34 Note 2: BHP portion of BHUH employees' administrative time related to capital work orders.
35 Note 3: Includes benefits allocated from Black Hills Service Company as well as Black Hills Utility Holdings.
36 Also includes benefits reclassified to capital work orders as well as operating and maintenance accounts.

BLACK HILLS POWER, INC.
LISTED EXPENSE ACCOUNTS
For the Test Year Ended September 30, 2013

Line No.	Description of Accounts	Reference	Per Books Amount
1	Federal Energy Regulatory Commission Account No. 928		
2			
3	South Dakota		\$ 78,799
4	Wyoming		50,194
5	FERC Fees		421,141
7	TOTAL	Sum (Ln.3:Ln.5)	<u>\$ 550,134</u>
8			
9	Federal Energy Regulatory Commission Account No. 929		
10			
11	None		
12			
13	Federal Energy Regulatory Commission Account No. 930 (Note 1)		
14			
15	General Advertising		\$ 253,269
16	Benefits and Labor		1,169
18	Safety and Medical Supplies		1,377
19	Office Supplies and Expenses		4,270
20	Dues and Membership Fees		155,335
21	Travel		14,709
22	Training		3,996
23	Outside Services		680,397
24	Financing Charges		381,859
25	Permits and Miscellaneous		1,232
26	TOTAL	Sum (Ln.15:Ln.25)	<u>\$ 1,497,613</u>
27			
28	Note 1: Disallowed advertising expenses are eliminated at Schedule H-11.		

BLACK HILLS POWER, INC.
BLACK HILLS CORPORATION/BLACK HILLS SERVICE COMPANY - INTERCOMPANY CHARGES
For the Test Year Ended September 30, 2013

Schedule H-4
Page 1 of 1

Line No.	FERC Acct.	Description	Per Books
1	920	Administrative and General Salaries	11,860,034
2			
3	921	Office Supplies and Expenses	2,199,768
4			
5	923	Outside Services	2,083,251
6			
7	924	Property Insurance	825,513
8			
9	925	Injuries and Damages	1,539,387
10			
11	926	Employee Pensions and Benefits	20,402
12			
13	930.2	Miscellaneous General Expense	697,959
14			
15	931	Rents	451,661
16			
17	935	Maintenance of General Plant	<u>739,298</u>
18			
19		Total	<u><u>20,417,273</u></u>

20
21
22
23 Note 1: These expenses are a combination of direct and indirect charges to Black Hills Power
24 from Black Hills Service Company without any additional fees. All costs are charged to Black
25 Hills Power as the costs are incurred by the Service Company. The allocation methods for
26 indirect charges are described in the Cost Allocation Manual.

BLACK HILLS POWER, INC.

Schedule H-5

BLACK HILLS CORPORATION/BLACK HILLS UTILITY HOLDINGS - INTERCOMPANY CHARGES **Page 1 of 1**

For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	(a) Per Books	(b) Pro Forma Adjusted (Note 1)	(c) (b) - (a) Increase/ (Decrease)
1	556	System Control and Load Dispatch	65,558	22,823	(42,735)
2					
3	560	Transmission Supervision & Operations	519,947	648,863	128,916
4					
5	561	Load Dispatch	2,239,777	2,523,940	284,163
6					
7	581	Distribution Load Dispatch	784,063	1,128,787	344,724
8					
9	593	Dist Maintenance of Overhead Lines	52,976	74,775	21,799
10					
11	903	Customer Records and Collection Expenses	1,308,084	1,057,132	(250,952)
12					
13	920	Administrative Salaries	5,208,683	6,281,998	1,073,315
14					
15	921	Office Supplies and Expense	932,149	1,077,092	144,943
16					
17	923	Outside Services	270,757	694,868	424,111
18					
19	924	Property Insurance	1,632	60,406	58,774
20					
21	925	Injuries and Damages	151,833	121,947	(29,886)
22					
23	926	Pension and Benefits	(122,603)	39,567	162,170
24					
25	930.2	Miscellaneous General	136,599	163,526	26,927
26					
27	931	Rents	97,250	79,482	(17,768)
28					
29	935	Maintenance of General Plant	509,647	484,165	(25,482)
30					
31		Total	<u>12,156,352</u>	<u>14,459,371</u>	<u>2,303,019</u>

34 Note 1: These expenses are a combination of direct and indirect charges to Black Hills Power from Black Hills Utility Holding
35 Company without any additional fees. All costs are charged to Black Hills Power as the costs are incurred by the Holding Company.
36 The allocation methods for indirect charges are described in the Cost Allocation Manual.

BLACK HILLS POWER, INC.
EMPLOYEE PENSION AND BENEFITS ADJUSTMENT
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-6
Page 1 of 1

Line No.	FERC Acct. #	Description	(a) Per Books for Test Period	(b) Pro Forma Adjusted	(c) (b) - (a) Total Company Adjustment
1		Pension and Benefits Plan:			
2	926	FAS 106 Retiree Healthcare	\$ 296,896	\$ 128,000	\$ (168,896)
3					
4	926	FAS 87 Pension Plan (Note 1)	2,844,759	2,336,305	(508,454)
5					
6	926	FAS 87 Pension Plan - PBGC Premium	24,499	133,000	108,501
7					
8	926	Pooled Medical	2,995,874	3,457,902	462,028
9					
10		401K Plan:			
11	926	Employer Contribution	1,652,991	2,094,131	441,140
12					
13		Total	<u>\$ 7,815,019</u>	<u>\$ 8,149,338</u>	<u>\$ 334,319</u>
14					
15	Note 1	Pro forma FAS 87 pension expense reflects the most recent 5 year average of actual costs.			

BLACK HILLS POWER, INC.
BAD DEBT ADJUSTMENT
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	2011 Net Write Offs		\$ 439,580
2	2012 Net Write Offs		310,597
3	2013 Net Write Offs		333,183
4	Total 2011-2013 Net Write Offs		<u>1,083,360</u>
5			
6	Average Net Write Offs	Ln. 4 / 3 years	361,120
7			
8	Average Billed Revenue (2011-2013)		160,215,281
9			
10	Average Effective Uncollectible Rate (3 year average)	Ln. 6 / Ln. 8	0.2254%
11			
12	Adjusted Revenue	Note 1	186,312,275
13			
14	Net Write Off Calculated	Ln. 10 * Ln. 12	419,942
15			
16	BHP per books	Stmt. H Ln. 103(a)	<u>440,879</u>
17			
18	FERC Acct 904 Adjustment	Ln. 14 - Ln. 16	<u>\$ (20,937)</u>
19			
20	Note 1: Stmt I Pg 1 Ln 6(a) + Stmt I Pg 1 Ln 6(b) + Stmt I Pg 4 Ln 7(c) + Stmt M Ln 2(d)		

BLACK HILLS POWER, INC.
Generation Dispatch and Scheduling Cost Detail
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-8
Page 1 of 2

Line No.	Description	Reference	Total Cost
1	Costs Related to Generation Dispatch and Scheduling	Note (1)	
2	Labor		\$ 1,708,529
3	Labor Overhead		1,415,039
4	Office and Facility Expenses		8,489
5	IT Costs		22,778
6	Outside Services		415,611
7	Promo and Advertising		3,000
8	Travel and Training		121,305
9	Subscriptions		5,963
10	Total Costs Related to Generation Dispatch and Scheduling		<u>3,700,714</u>
11			
12	Power Plant Capacity - Black Hills Power (MW)		
13	Ben French	Note (3)	-
14	Ben French Diesels		10.00
15	Ben French CT's		100.00
16	Lange CT		40.00
17	Neil Simpson I	Note (3)	-
18	Neil Simpson II		91.00
19	Neil Simpson CT		40.00
20	Osage	Note (3)	-
21	Colstrip Long-Term Purchase		50.00
22	Happy Jack Long - Term Purchase		15.00
23	Silver Sage Long-Term Purchase		20.00
24	Wygen III 52%		57.20
25	Wyodak 20%		72.40
26	CPGS Combined Cycle		55.00
27	Total Power Plant Capacity - Black Hills Power (MW)		<u>550.60</u>
28			
29	Power Plant Capacity - Cheyenne Light (MW)		
30	Wygen II		95.00
31	Wygen I (Purchase Power Agreement)		60.00
32	CT II (Purchase Power Agreement)	Note (4)	-
33	Happy Jack Long-Term Purchase		15.00
34	Silver Sage Long-Term Purchase		10.00
35	CPGS Combined Cycle		40.00
36	CPGS Simple Cycle		37.00
37	Total Power Plant Capacity - Cheyenne Light (MW)		<u>257.00</u>
38			
39	Power Plant Capacity - Black Hills/Colorado Electric Utility		
40	WN Clark #1 & #2	Note (3)	-
41	Pueblo Diesels		10.00
42	Pueblo NG #5		9.30
43	Pueblo NG #6		18.80
44	Rocky Ford Diesels		10.00
45	Airport Diesels		10.00
46	Pueblo Airport Generation Station		380.00
47	Other Long- Term Purchase		5.00
48	BRW Phase I		14.50
49	BRW Phase I - AltaGas		14.50

BLACK HILLS POWER, INC.
Generation Dispatch and Scheduling Cost Detail
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-8
Page 2 of 2

Line No.	Description	Reference	Total Cost
50			-
51	Total Power Plant Capacity - Black Hills/Colorado Electric Utility (MW)		472.10
52			
53	Power Plant Capacity - MDU, City of Gillette, and Other		
54	Wygen III 48%		52.80
55	Wygen I		5.00
56	CTII - COG	Note (4)	40.00
57	Total Power Plant Capacity - MDU, City of Gillette, and Other (MW)		97.80
58			
59	Total Capacity to be Managed	Note (2)	1,377.50
60			
61	Black Hills Power Percent of Capacity		39.97%
62			
63	Cheyenne Light Percent of Capacity		18.66%
64			
65	Black Hills/Colorado Electric Utility		34.27%
66			
67	MDU, City of Gillette, and Other Percent of Capacity		7.10%
68			
69	Amount to be Charged to Black Hills Power		\$ 1,479,211
70			
71	Amount per Book - Black Hills Power		1,371,247
72			
73	Adjustment - Black Hills Power		<u>\$ 107,964</u>
74			
75	Note (1) Total generation dispatch and scheduling costs are the pro forma costs for the Black Hills Power		
76	Generation Dispatch and Scheduling department.		
77	Note (2) Costs from Black Hills Power Generation Dispatch and Scheduling are allocated based on the		
78	generation asset's load ratio.		
79	Note (3) Ben French, Neil Simpson I, Osage, and WN Clark 1 & 2 will be retired before CPGS goes into		
80	service. Therefore, the plant capacity is not included in the allocation.		
81	Note (4) The CTII PPA will expire August 2014, and the City of Gillette has entered into an agreement to		
82	purchase CT II from Black Hills Corporation.		

BLACK HILLS POWER, INC.
ENERGY COST ADJUSTMENT EXPENSE ELIMINATION
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-9
Page 1 of 1

Line No.	Description	Reference	Amount
1	Account 555- Purchase Power- Energy		
2			
3	Per Books September 30, 2013	Stmt. H pg.1 Ln. 45(a)	\$ 38,497,099
4			
5	Power Marketing Purchase Power Expense	Sched. H-12 Ln. 6	(25,231,082)
6			
7	Purchase Power - Adjustment	Ln. 3 + Ln. 5	<u>13,266,017</u>
8			
9			
10	<hr/>		
11	Account 547- Other Fuel		
12			
13	Per Books September 30, 2013	Stmt. H pg.1 Ln. 27(a)	\$ 2,623,531
14			
15	Power Marketing Other Fuel Expense	Sched. H-12 Ln. 4	(863,979)
16			
17	Other Fuel - Adjustment	Ln. 13 + Ln. 15	<u>1,759,552</u>
18			
19			
20	<hr/>		
21	Account 501- Steam Power Fuel		
22			
23	Per Books September 30, 2013	Stmt. H pg.1 Lns. 3-7(a)	\$ 20,361,129
24			
25	Neil Simpson I, Osage, Ben French Coal Expense	Sched. H-18 Lns. 3-7	(2,161,128)
26	Power Marketing Coal Expense	Sched. H-12 Ln. 2	(717,714)
27			
28	Steam Power Fuel - Adjustment	Ln. 23 + Ln. 25 + Ln. 26	<u>17,482,287</u>
29			
30			
31	<hr/>		
32	Account 565- Transmission		
33			
34	Per Books September 30, 2013	Stmt. H pg.1 Lns. 3-7(a)	\$ 18,741,890
35			
36	Power Marketing Transmission Expense	Sched. H-12 Ln. 2	(1,009,322)
37			
38	Steam Power Fuel - Adjustment	Ln. 34 + Ln. 36	<u>17,732,568</u>
39			
40			
41	<hr/>		
42	Reagent Costs		
43			
44	Per Books:		
45	Lime Purchases/Freight		\$ 782,068
46	Chemical Purchases/Ammonia		209,878
47	Mercury Sorbent		20,000
48			
49	Reagent Costs - Adjustment	Ln. 45 + Ln. 46 + Ln. 47	<u>1,011,946</u>

004466

BLACK HILLS POWER, INC.
Neil Simpson Complex Shared Facilities Adjustment
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-10
Page 1 of 1

Line No.	Description	Reference	Amounts
1	Black Hills Power's Share of Allocated Costs:		
2			
3	Per Books - Shared Facilities Costs (FERC Account 507 - Production Rent)		\$ 1,463,778
4			
5	2013 Budget:		
6	Pool 1 - Shared by all plants	Line 29 x Line 42	718,969
7	Pool 2 - Neil Simpson II and Wygen I	Line 30 x Line 43	310,945
8	Pool 3 - Wygen II and III	Line 31 x Line 44	792,194
9	Pool 4 - Wygen I, II and III and Neil Simpson II	Line 32 x Line 45	240,249
10	Pool 5 - Combustion Turbine I and II, and Wygen I, II and III	Line 33 x Line 46	17,517
11	Pool 6 - Combustion Turbine I and II	Line 34 x Line 47	16,896
12	Pool 7 - Wygen I, II, and III	Line 35 x Line 48	22,121
13	Total		<u>\$ 2,118,891</u>
14			
15	Shared Facilities O&M Expense Adjustment (Statement H Line 8 (k))	Line 13 - Line 3	<u>\$ 655,113</u>
16			
17	Black Hills Power's Share of Allocated Revenues:		
18			
19	Per Books - Shared Facilities Revenue (FERC Account 454 - Rent from Electric Property)		\$ 1,920,304
20			
21	Budget	Line 60	2,895,848
22			
23	Shared Facilities Revenue Adjustment (Statement I Page 1 Line 14 (b))	Line 21 - Line 19	<u>\$ 975,544</u>
24			
25			
26	Gillette Energy Complex Shared Facilities - Budget Detail		
27			
28	<u>Gillette Energy Complex Facility Pool Descriptions:</u>		<u>Costs</u>
29	Pool 1 - All plants shared facilities and water systems		\$ 1,393,003
30	Pool 2 - Neil Simpson II and Wygen I		621,890
31	Pool 3 - Wygen II and III		1,476,362
32	Pool 4 - Wygen I, II and III and Neil Simpson II		462,479
33	Pool 5 - Combustion Turbine I and II, and Wygen I, II and III		43,792
34	Pool 6 - Combustion Turbine I and II		33,792
35	Pool 7 - Wygen I, II, & III		59,325
36	Total Costs		<u>\$ 4,090,643</u>
37			
38		(a)	(b)
39			(c)
40			(a) x (b) = (c)
41	<u>Gillette Energy Complex Facility - Cost Allocators (Note 1):</u>	<u>Pool</u>	<u>BHP</u>
42	Pool 1 - Shared by all plants (Note 1)	Net Capacity	Net Capacity
43	Pool 2 - Neil Simpson II and Wygen I	465	240
44	Pool 3 - Shared by Wygen II and III Plants	180	90
45	Pool 4 - Shared by Wygen and Neil Simpson Plants (Note 1)	205	110
46	Pool 5 - Combustion Turbine and Wygen Plants	385	200
47	Pool 6 - Combustion Turbine I and II	375	150
48	Pool 7 - Wygen I, II, & III	80	40
49		295	110
50	<u>Gillette Energy Complex Shared Facilities - Annual Revenue Requirement:</u>		<u>BHP</u>
51	Facilities	Reference	12,161,636
52	Fuel Handling		4,857,388
53	Water Systems		4,048,296
54	Chemical Systems		1,492,296
55	Air Systems		819,069
56			<u>23,378,685</u>
57			
58	Rate of Return	Note 2	1,982,512
59	Depreciation		913,336
60	Calculated Revenue Requirement on Shared Assets	Line 58 + Line 59	<u>2,895,848</u>
61			
62			
63	Note 1: Neil Simpson 1 will be retired March 21, 2014. Therefore, the plant capacity is not included in the allocation.		
64	Note 2: Line 56 * ROR established in Shared Facilities Agreement.		

BLACK HILLS POWER, INC.
REMOVAL OF UNALLOWED ADVERTISING EXPENSE
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-11
Page 1 of 1

Line No.	FERC Acct. #	Description	Reference	Amount
1		Elimination of Advertising Expense		
2				
3	901	Supervision		963
4	903	Customer Records and Collection Expenses		274
5	908	Customer Assistance		10,097
6	909	Advertisement		3,577
7	910	Miscellaneous		9,514
8	912	Demonstrating and Selling Expenses		314
9	913	Advertising Expenses		46
10	921	Office Supplies & Expense		20,593
11	923	Outside Services		591
12	930.1	General Advertising		215,449
13	930.2	Miscellaneous General		1,099
14		Total Advertising Expense to be Eliminated	Sum (Ln.3:Ln.13)	<u>\$ 262,517</u>

BLACK HILLS POWER, INC.
POWER MARKETING EXPENSE ADJUSTMENT
For the Test Year Ended September 30, 2013

Schedule H-12
Page 1 of 1

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Reference</u>	<u>Amount</u>
1	Power Marketing Operating Expense		
2	Coal Expense		\$ 717,714
3			
4	Other Fuel Expense		863,979
5			
6	Purchased Power Expense		25,231,082
7			
8	Transmission Expense		1,009,322
9			
10	Labor - Bonus		<u>213,765</u>
11			
12	Total Power Marketing Operating Expenses	Sum (Ln.2:Ln.10)	<u>\$ 28,035,862</u>

BLACK HILLS POWER, INC.
OUTSIDE CONSULTING RELATED TO RATE CASE
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-13
Page 1 of 1

Line No.	Description	Reference	Amount
1	Estimated Current Rate Case Expense		
2	Depreciation Consultant		\$ 50,000
3	Capital Structure\Rate of Return Consultant		50,000
4	Class Cost of Service Consultant		20,000
5	Other Consulting		30,000
6	Legal		250,000
7	Supplies and Other		15,000
8	SD Filing Fee		250,000
9	Total Rate Case Expense	Sum (Ln.1:Ln.8)	<u>665,000</u>
10			
11	Docket EL12-061 Total Rate Case Expense		
12	Consulting		\$ 30,482
13	Legal		188,122
14	Supplies and Other		333
15	South Dakota PUC Filing Fee		122,821
16	Total Rate Case Costs	Sum (Ln.12:Ln.15)	<u>341,758</u>
17	Rate Case Costs Currently Recovered in Rates	PJS-1, Sch 2, Ln. 5	<u>188,643</u>
18	Residual EL12-061 Rate Case Costs	Ln. 16 - Ln. 17	<u>153,115</u>
19			
20	Docket EL12-062 Total Phase-In Case Expense		
21	Consulting		\$ 27,385
22	Legal		87,616
23	Supplies and Other		333
24	South Dakota PUC Filing Fee		68,430
25	Total Phase-In Case Costs	Sum (Ln.21:Ln.24)	<u>183,764</u>
26	Phase-In Case Costs Currently Recovered in Rates	PJS-1, Sch 2, Ln. 10	<u>73,170</u>
27	Residual EL12-062 Rate Case Costs	Ln. 25 - Ln. 26	<u>110,594</u>
28			
29	Total Current and Residual Rate Case Costs	Ln. 9 + Ln. 18 + Ln. 27	928,709
30	Amortization Period (years)		<u>3</u>
31	Annual Rate Case Expense Amortization	Ln. 29 / Ln. 30	<u>309,570</u>
32			
33	Regulatory Asset Associated with Current Case	Ln. 29 - Ln. 31	<u>619,139</u>
34			
35	Rate Case Expense Adjustment		
36	Annual Amortization Established in EL12-061	PJS-1, Sch 2, Ln. 13	87,271
37	Proposed Annual Amortization in Current Case	Ln. 31	309,570
38	Total Annual Rate Case Expense	Ln. 36 + Ln. 37	<u>396,841</u>
39	Test Year Rate Case Expense		78,780
40	Adjustment to Test Year	Ln. 38 - Ln. 39	<u>318,061</u>
41			
42	Rate Base Adjustment for Unamortized Rate Case Expense		
43	EL12-061 Rate Base Adjustment	PJS-1, Sch 2, Ln. 16	130,907
44	Regulatory Asset Associated with Current Case	Ln. 33	619,139
45	Adjustment to Test Year	Ln. 43 + Ln. 44	<u>750,046</u>

BLACK HILLS POWER, INC.
VEGETATION MANAGEMENT ADJUSTMENT
For the Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	Distribution Maintenance: Overhead Lines		
2	Stipulated South Dakota Vegetation Management Expense	Note 1	\$ 1,741,509
3	SD Jurisdictional Allocation	Stmt N	<u>94.898%</u>
4	Stipulated Total Company Vegetation Management Expense	Ln. 2 / Ln. 3	<u>1,835,138</u>
5	Test Year Total Company Vegetation Management Expense		<u>2,236,558</u>
6	Adjustment		<u><u>(401,420)</u></u>
7			
8	Note (1) See settlement stipulation in Docket EL12-061, page 6, item 4.(2).		

BLACK HILLS POWER, INC.
CPGS Operations and Maintenance Adjustment
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-15
Page 1 of 1

Line No.	FERC Account No.	Description	Combined Cycle Unit
1		Other Production Operation	
2	546	Supervision & Engineering	\$ 94,391
3	548	Generation Expense	84,368
4	549	Miscellaneous	1,010,918
5		Total Other Production Operation	<u>\$ 1,189,677</u>
6			
7		Other Production Maintenance	
8	551	Supervision & Engineering	\$ 6,490
9	552	Structures	89,492
10	553	Electric Plant	1,010,662
11	554	Miscellaneous Plant	485,148
12		Total Other Production Maintenance	<u>\$ 1,591,792</u>
13			
14		Total Production Expense	<u>\$ 2,781,469</u>

BLACK HILLS POWER, INC.
BEN FRENCH - SEVERANCE EXPENSE ADJUSTMENT
For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	Reference	Amount
1		Severance Expense		
2	920	Administrative & General - Administrative Salaries		\$ 180,861
3				
4		Total Severance Expense to be Eliminated	Ln. 2 + Ln. 3	<u>\$ 180,861</u>

BLACK HILLS POWER, INC.
Neil Simpson Complex - Common Steam Allocation
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-17
Page 1 of 1

Line No.	Description	Reference	Total Cost
1	Costs Related to Neil Simpson Complex Common Steam Facilities		
2	Labor and Benefits		\$ 2,586,086
3	Materials		648,144
4	Outside Services		1,041,642
5	Travel		146,269
6	Common Utilities		225,000
7	Office Expenses		77,509
8	Other		38,764
9	Total Costs Related to Neil Simpson Complex Common Steam Facilities		<u>\$ 4,763,414</u>
10			
11	Gillette Complex Steam Power Plant Capacity - Black Hills Power (MW)		
12	Neil Simpson II		91.00
13	Wygen III 52%		57.20
14	Total Steam Power Plant Capacity - Black Hills Power (MW)		<u>148.20</u>
15			
16	Gillette Complex Steam Power Plant Capacity - Cheyenne Light (MW)		
17	Wygen II		95.00
18	Total Power Plant Capacity - Cheyenne Light (MW)		<u>95.00</u>
19			
20	Gillette Complex Steam Power Plant Capacity - MDU, City of Gillette, and Other		
21	Wygen III 48%		52.80
22	Wygen I		85.00
23	Total Power Plant Capacity - MDU, City of Gillette, and Other (MW)		<u>137.80</u>
24			
25	Total Capacity to be Managed (Note 1)	Ln 14 + 18 + 23	381.00
26			
27	Black Hills Power Percent of Capacity	Ln 14 / Ln 25	38.90%
28	Cheyenne Light Percent of Capacity	Ln 18 / Ln 25	24.93%
29	MDU, City of Gillette, and Other Percent of Capacity	Ln 23 / Ln 25	36.17%
30			
31	Amount to be Charged to Black Hills Power	Ln 9 * Ln 27	\$ 1,852,968
32	Amount per Book - Black Hills Power		1,528,006
33	Adjustment - Black Hills Power	Ln 31 - Ln 32	<u>\$ 324,962</u>
34			
35	Note (1) Costs from the Neil Simpson Complex - Steam Common Facilities are allocated based on capacity.		
36			

BLACK HILLS POWER, INC.
Ben French, Osage, and Neil Simpson I O&M Elimination Adjustment
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-18
Page 1 of 1

Line No.	FERC Account	Description	Ben French	Osage	Note (2) Neil Simpson I	Total
1		Steam Production Operation				
2	500	Supervision & Engineering	\$ 1,949	\$ 180	\$ 85,849	\$ 87,978
3	501	Fuel Handling / Other	2,970	-	30,277	33,247
4	501.1	Steam Power Fuel - Oil	121	-	258,797	258,918
5	501.2	Steam Power Fuel - Gas	328	-	-	328
6	501.3	Steam Power Fuel - Coal	(15,119)	21,806	1,861,948	1,868,635
7	501.4	Steam Power Fuel - Transportation	-	-	-	-
8	502	Steam Expense	6,298	150	180,319	186,767
9	505	Electric Expense	10,900	150	130,929	141,979
10	506	Miscellaneous	6,793	2,285	101,101	110,179
11	507	Rent (Note 1)	-	-	1,942	1,942
12		Total Steam Production Operation	<u>\$ 14,240</u>	<u>\$ 24,571</u>	<u>\$ 2,651,162</u>	<u>\$ 2,689,973</u>
13						
14		Steam Production Maintenance				
15	510	Supervision & Engineering	\$ 32,847	\$ 27,729	\$ 202,712	\$ 263,288
16	511	Structures	9,795	201	51,631	61,627
17	512	Boilers	1,256	635	531,057	532,948
18	513	Electric Plant	27,330	1,858	152,899	182,087
19	514	Miscellaneous Plant	13,247	596	9,420	23,263
20		Total Steam Production Maintenance	<u>\$ 84,475</u>	<u>\$ 31,019</u>	<u>\$ 947,719</u>	<u>\$ 1,063,213</u>
21						
22		Total Steam Production Expense	<u>\$ 98,715</u>	<u>\$ 55,590</u>	<u>\$ 3,598,881</u>	<u>\$ 3,753,186</u>

24 Note (1) BHP shared facility cost allocation adjustment on Schedule H-10 removes Neil Simpson from capacity.

25 Note (2) Neil Simpson I labor costs are removed in Schedule H-1.

BLACK HILLS POWER, INC.
FUTURETRACK WORKFORCE DEVELOPMENT PROGRAM
For the Pro Forma Test Year Ended September 30, 2013

Line No.	FERC Acct. #	Description	Reference	Amount
1		Salaries and Benefit Expenses		
2	502	Steam Plant Operation		\$ 61,140
3				
4	512	Steam Plant Boilers Maintenance		82,471
5				
6	580	Distribution Supervision		77,834
7				
8	593	Distribution Overhead Line Maintenance		345,337
9				
10	908	Customer Assistance		99,223
11				
12	920	Administration		55,856
13				
14		Annual Strategic Workforce Planning Expense	Sum(Ln. 2:Ln. 12)	<u><u>\$ 721,861</u></u>
15				

16 Note: The annual FutureTrack Workforce Development Program expense equals one-eighth of the total cost needed
17 over the next eight years to cover the significant loss of employees related to the baby boomer generation retiring
18 from the company.

BLACK HILLS POWER, INC.
69 kV LIDAR Surveying Project
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	69 KV LIDAR Surveying Expense		
2	Total Project Cost		\$ 798,000
3	69 kV Joint Ownership Contribution		<u>113,400</u>
4	Total BHP Cost	Ln. 2 - Ln. 3	<u>684,600</u>
5	LIDAR Annualization Period		5
6	Annual LIDAR Expense	Ln. 4 / Ln. 5	<u><u>136,920</u></u>
7			
8	Unamortized LIDAR Expense		
9	Total BHP Project Cost	Ln 4	\$ 684,600
10	Annual LIDAR Expense	Ln 6	<u>136,920</u>
11	Unamortized LIDAR Expense	Ln 9 - Ln 10	<u><u>547,680</u></u>

BLACK HILLS POWER, INC.
CUSTOMER SERVICE MODEL ADJUSTMENT
For the Pro Forma Test Year Ended September 30, 2013

Schedule H-21
Page 1 of 1

Line No.	Description	Reference	Amount
1	Facility Expense Elimination		
2	Belle Fourche Office:		
3	Office Rent		\$ 9,000
4	Janitorial Service		2,955
5	Postage		1,460
6	Rug Cleaning Service		1,334
7	Utilities		891
8	Snow Removal		514
9	Total Belle Fourche Facility Expense	Sum(Ln. 3: Ln. 8)	<u>16,154</u>
10			
11	Newell Office:		
12	Rug Cleaning Service		\$ 1,866
13	Utilities		793
14	Lawn Care/Snow Removal		261
15	PO Box Lease		80
16	Total Newell Facility Expense	Sum(Ln. 12:Ln. 15)	<u>3,000</u>
17			
18	Total Facility Cost	Ln. 9 + Ln. 16	<u><u>19,154</u></u>
19			
20	Employee Expense Elimination		
21	Customer Service Representative - Newell		\$ 39,122
22	Customer Service Representative - Custer		38,658
23	Customer Service Representative - Spearfish		38,658
24	Total Salary Costs	Sum(Ln. 21:Ln. 23)	<u>116,438</u>
25	Benefit Loading Percentage		69%
26	Total Benefit Costs	Ln. 24 * Ln. 25	<u>80,342</u>
27			
28	Total Employee Expense Cost	Ln. 24 + Ln. 26	<u><u>196,780</u></u>
29			
30	Total Customer Service Model Adjustment		<u><u>215,934</u></u>

Section I

20:10:13:85. Statement I -- Operating Revenues. Statement I shall show the operating revenues from sales of electricity, gas and other sources classified in accordance with the commission's orders and with the operating revenue accounts prescribed by the FERC's uniform systems of accounts for public utilities and licensees or for gas companies, and the related kilowatt hours or MCF or BTU. Sales and services shall be distinguished between classes of service and other business of the utility. Items which are reflected as credits to cost of service in preparing statement M -- Overall cost of service, shall disclose the following, using supporting schedules as necessary:

(1) Actual and proposed revenues by months for the 12-month test period and as adjusted for changes which are known and measurable and which are expected to be realized within 12 months from the end of the test period from jurisdictional sales as computed under the present effective and proposed rates;

(2) Each class of consumer shall be shown separately. The related kilowatt hours or MCF or BTU shall be shown for each revenue item as appropriate;

(3) Adjustments to actual period sales volumes shall be fully and clearly explained;

(4) Credits to cost of service shall set forth the principal components comprising each of the various items which are reflected as credits to cost of service in preparing statement M -- Overall cost of service. The amounts per books, claimed adjustments, and as adjusted figures shall be clearly set forth.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

Stmt I page 2 – South Dakota Revenue by Customer Classification. This schedule compares the revenue per books against the pro forma revenue for South Dakota and calculates the net adjustment.

Stmt I page 3 - South Dakota Revenue by Customer Classification. This schedule compares the revenue per books against the bill frequency revenue for South Dakota customers and calculates the variance.

Stmt I page 4 – Removal of Energy Cost Revenue. This schedule calculates the removal of energy cost revenue for retail customers.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Schedule I-1 – This schedule lists the present and proposed revenues and rates by rate class.

Schedule I-2 – This schedule adjusts for the PIPR Rider Revenue.

BLACK HILLS POWER, INC.
OPERATING REVENUE
For the Pro Forma Test Year Ended September 30, 2013

Statement I
Page 1 of 4

Line No.	Operating Revenue	Reference	(a) Per Books	(b) Pro Forma Adjustments	(c) (a) + (b) Adjusted Total
1	Sales of Electricity				
2	Retail				
3	South Dakota		\$ 146,724,130	\$ (22,554,777) (6)	\$ 124,169,353
4	Wyoming		13,264,644	(4,975,809) (7)	8,288,835
5	Montana		2,987,664	(573,837) (7)	2,413,827
6	Total Retail		<u>162,976,438</u>	<u>(28,104,423)</u>	<u>134,872,015</u>
7					
8	Resale				
9	Other Non-Firm		30,795,661	(30,795,661) (1)	-
10	Contract Sales		21,472,488	-	21,472,488
11	City of Gillette		455,312	(455,312) (2)	-
12	Total Sales for Resale		<u>52,723,461</u>	<u>(31,250,973)</u>	<u>21,472,488</u>
13					
14	Total Sales of Electricity	Ln.6 + Ln.12	215,699,899	(59,355,396)	156,344,503
15					
16	Other Operating Revenue				
17	Unbilled Revenue		1,882,932	(1,882,932) (3)	-
18	Energy Cost Adjustment Revenue		5,471,871	(5,471,871) (4)	-
19	Demand Side Management Revenue		(968,002)		(968,002)
20	Forfeited Discounts		267,907		267,907
21	Miscellaneous Service Revenues		462,921		462,921
22	Provision for Rate Refunds		(1,740,730)	1,740,730 (3)	-
23	Rent from Electric Property & Other		5,503,881	975,544 (5)	6,479,425
24	Transmission Revenue		<u>22,357,056</u>		<u>22,357,056</u>
25	Total Other Operating Revenue		<u>33,237,836</u>	<u>(4,638,529)</u>	<u>28,599,307</u>
26					
27	Total Operating Revenue	Ln.14 + Ln.25	<u>\$ 248,937,735</u>	<u>\$ (63,993,925)</u>	<u>\$ 184,943,810</u>

Note 1: Remove revenue received from Power Marketing.

Note 2: Remove City of Gillette as the energy is related to replacement energy; associated costs are included in Power Marketing adjustment at Schedule H-12.

Note 3: Unbilled revenue and the provision for rate refunds reflect accounting accruals that need to be removed from pro forma revenues.

Note 4: ECA revenue accrual is removed because ECA costs are removed from base rates.

Note 5: Neil Simpson Complex shared facilities agreement revenue adjustment is reflected on Schedule H-10.

Note 6: Adjustment reflects the cumulative effect of 5 revenue adjustments to South Dakota retail revenues: (1) Schedule I-2 for PIPR rate annualization + (2) Statement I Pg 4 for removal of base FPPA/TCA revenues + (3) Revenue Adj. for weather normalization + (4) Revenue Adj. for ICS Accrual + (5) Revenue Adj. for Docket EL12-061 rate increase annualization

Note 7: Adjustment to remove the base FPPA/TCA revenues as supported on Statement I Pg 4.

BLACK HILLS POWER, INC.
SOUTH DAKOTA REVENUE BY CUSTOMER CLASSIFICATION
For the Pro Forma Test Year Ended September 30, 2013

Statement I
Page 2 of 4

Line No.	Customer Classification	REVENUE PER BOOKS		PRO FORMA REVENUE			
		Energy Sales - kWh	Billing Revenue - \$	Energy Sales - kWh	Billing Revenue - \$	Difference Between Per Books and Pro Forma	
				Energy Sales - kWh	Billing Revenue - \$	Energy Sales - kWh	Billing Revenue - \$
1	Residential						
2	Regular	336,199,804	\$ 40,888,347	328,835,952	\$ 35,492,218	(7,363,852)	\$ (5,396,129)
3	Total Electric	88,923,685	\$ 8,668,727	88,923,685	\$ 7,432,190	-	\$ (1,236,537)
4	Utility Controlled	131,002	\$ 7,866	131,002	\$ 5,761	-	\$ (2,105)
5	Demand	90,666,049	\$ 7,515,049	90,666,049	\$ 6,079,820	-	\$ (1,435,229)
6	Total Residential	515,920,540	\$ 57,079,989	508,556,688	\$ 49,009,989	(7,363,852)	\$ (8,070,000)
7							
8	General Service						
9	Regular	356,168,400	\$ 42,460,856	356,168,400	\$ 38,157,039	-	\$ (4,303,817)
10	Total Electric	38,153,493	\$ 3,906,118	38,153,493	\$ 3,448,305	-	\$ (457,813)
11	Other	7,387,614	\$ 491,568	7,387,614	\$ 392,040	-	\$ (99,528)
12	Water Pumping/Irrigation	24,260,481	\$ 1,992,379	24,260,481	\$ 1,630,870	-	\$ (361,509)
13	Total Small General Service	425,969,988	\$ 48,850,921	425,969,988	\$ 43,628,253	-	\$ (5,222,668)
14							
15	General Service - Large						
16	Secondary	298,948,853	\$ 25,095,926	298,948,853	\$ 20,209,575	-	\$ (4,886,351)
17	Primary	27,602,042	\$ 1,852,720	27,602,042	\$ 1,545,607	-	\$ (307,113)
18	69 kV	20,550,893	\$ 1,364,475	20,550,893	\$ 1,013,376	-	\$ (351,099)
19	Total General Service - Large Service	347,101,788	\$ 28,313,121	347,101,788	\$ 22,768,558	-	\$ (5,544,563)
20							
21	Forest Products/Industrial						
22	Secondary	11,027,103	\$ 853,220	11,054,048	\$ 647,939	26,945	\$ (205,281)
23	Forest Products - Primary	74,110,875	\$ 4,700,905	74,131,937	\$ 3,259,090	21,062	\$ (1,441,815)
24	69 kV	95,458,904	\$ 5,039,459	96,403,799	\$ 3,147,800	944,895	\$ (1,891,659)
25	Total Forest Products/Industrial	180,596,882	\$ 10,593,584	181,589,784	\$ 7,054,829	992,902	\$ (3,538,755)
26							
27	Lighting Service						
28	Private Area Lighting	3,937,907	\$ 568,738	3,937,907	\$ 522,250	-	\$ (46,488)
29	Street Lighting - Leased	3,577,040	\$ 754,539	3,577,040	\$ 713,215	-	\$ (41,324)
30	Street Lighting - Customer Owned	5,987,037	\$ 430,149	5,987,037	\$ 346,208	-	\$ (83,941)
31	Traffic Signals	706,762	\$ 74,146	706,762	\$ 62,048	-	\$ (12,098)
32	Total Lighting Service	14,208,746	\$ 1,827,572	14,208,746	\$ 1,643,721	-	\$ (183,851)
33							
34	Rentals/Other	-	\$ 58,943	-	\$ 58,943	-	\$ -
35							
36	Total South Dakota Retail	1,483,797,944	\$ 146,724,130	1,477,426,994	\$ 124,164,293	(6,370,950)	\$ (22,559,837)

BLACK HILLS POWER, INC.
SOUTH DAKOTA REVENUE BY CUSTOMER CLASSIFICATION
For the Test Year Ended September 30, 2013

Statement I
Page 3 of 4

Line No.	Customer Classification	REVENUE PER BOOKS		BILL FREQUENCY REVENUE		Difference Between Per Books and Bill Frequency	
		Energy Sales - kWh	Billing Revenue - \$	Energy Sales - kWh	Billing Revenue - \$	Energy Sales - kWh	Billing Revenue - \$
1	Residential						
2	Regular	336,199,804	\$ 40,888,347	336,199,804	\$ 40,888,296	-	\$ (51)
3	Total Electric	88,923,685	\$ 8,668,727	88,923,685	\$ 8,668,727	-	\$ -
	Utility Controlled	131,002	\$ 7,866	131,002	\$ 7,866	-	\$ -
4	Demand	90,666,049	\$ 7,515,049	90,666,049	\$ 7,515,049	-	\$ -
5	Total Residential	515,920,540	57,079,989	515,920,540	57,079,938	-	(51)
6							
7	General Service						
8	Regular	356,168,400	\$ 42,460,856	356,168,400	\$ 42,460,856	-	\$ -
9	Total Electric	38,153,493	\$ 3,906,118	38,153,493	\$ 3,906,118	-	\$ -
10	Other	7,387,614	\$ 491,568	7,387,614	\$ 491,568	-	\$ -
11	Water Pumping/Irrigation	24,260,481	\$ 1,992,379	24,260,481	\$ 1,992,379	-	\$ -
12	Total Small General Service	425,969,988	48,850,921	425,969,988	48,850,921	-	-
13							
14	General Service - Large						
15	Secondary	298,948,853	\$ 25,095,926	298,948,853	\$ 25,093,059	-	\$ (2,867)
16	Primary	27,602,042	\$ 1,852,720	27,602,042	\$ 1,852,720	-	\$ -
17	69 kV	20,550,893	\$ 1,364,475	20,550,893	\$ 1,364,475	-	\$ -
18	Total General Service - Large Service	347,101,788	28,313,121	347,101,788	28,310,254	-	(2,867)
19							
20	Forest Products/Industrial						
21	Secondary	11,027,103	\$ 853,220	11,027,103	\$ 853,220	-	\$ -
22	Forest Products - Primary	74,110,875	\$ 4,700,905	74,110,875	\$ 4,700,905	-	\$ -
23	69 kV	95,458,904	\$ 5,039,459	95,458,904	\$ 5,039,459	-	\$ -
24	Total Forest Products/Industrial	180,596,882	10,593,584	180,596,882	10,593,584	-	-
25							
26	Lighting Service						
27	Private Area Lighting	3,937,907	\$ 568,738	3,937,907	\$ 568,738	-	\$ -
28	Street Lighting - Leased	3,577,040	\$ 754,539	3,577,040	\$ 754,539	-	\$ -
29	Street Lighting - Customer Owned	5,987,037	\$ 430,149	5,987,037	\$ 430,149	-	\$ -
30	Traffic Signals	706,762	\$ 74,146	706,762	\$ 74,146	-	\$ -
31	Total Lighting Service	14,208,746	1,827,572	14,208,746	1,827,572	-	-
32							
33	Rentals/Other	-	\$ 58,943	-	\$ 58,943	-	\$ -
34							
35	Total South Dakota Retail	1,483,797,944	\$ 146,724,130	1,483,797,944	\$ 146,721,212	-	\$ (2,918)

BLACK HILLS POWER, INC.
REMOVAL OF ENERGY COST REVENUE
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	(a) Rate	(b) kWh	(c) (a) * (b) Energy Cost Revenue Adjustment
1	South Dakota Retail	Wkp. 1 Ln. 37(a) * 1000	(1) 0.02270	1,483,797,944	\$ 33,682,213
2					
3	Wyoming Retail	Wkp. 1 Ln. 42(a) * 1000	0.02990	166,415,003	4,975,809
4					
5	Montana Retail	Wkp. 1 Ln. 46(a) * 1000	0.01240	46,277,189	573,837
6					
7	Total Removal of Energy Cost Revenue			<u>1,696,490,136</u>	<u>\$ 39,231,859</u>

8
9

10 Note 1: The rate of \$0.0227 is the sum of the Fuel and Purchased Power Adjustment base rate of \$0.0146 and the Transmission Cost
11 Adjustment base rate of \$0.0081 approved in South Dakota Docket EL09-018.

BLACK HILLS POWER, INC.
SOUTH DAKOTA BILL FREQUENCY
REVENUE UNDER PRO FORMA & PROPOSED RATES
For the Pro Forma Test Year Ended September 30, 2013

Schedule I-1
Page 1 of 1

Line No.	Description	kWh	Pro Forma Revenue	Average Cost \$/kWh	Proposed Revenue	Average Cost \$/kWh	Increased/ (Decreased) Revenue	% Increase
1	RESIDENTIAL SERVICE	515,920,540	\$ 49,009,989	\$ 0.0950	\$ 55,546,755	\$ 0.1077	\$ 6,536,767	13.34%
2								
3	GENERAL SERVICE (GS)	425,969,988	\$ 43,628,253	\$ 0.1024	\$ 47,535,128	\$ 0.1116	\$ 3,906,875	8.95%
4								
5	GS LARGE/INDUSTRIAL	527,698,670	\$ 29,823,387	\$ 0.0565	\$ 33,871,495	\$ 0.0642	\$ 4,048,108	13.57%
6								
7	LIGHTING SERVICE	14,208,746	\$ 1,643,721	\$ 0.1157	\$ 1,792,130	\$ 0.1261	\$ 148,409	9.03%
8								
9	RENTAL/OTHER	-	\$ 58,943	-	\$ 58,943	-	\$ -	0.00%
10								
11	TOTALS	1,483,797,944	\$ 124,164,293	\$ 0.0837	\$ 138,804,452	\$ 0.0935	\$ 14,640,159	11.79%
12								
13	ENERGY REVENUE	-	\$ 33,682,213	\$ 0.0227	\$ 33,682,213	\$ 0.0227	-	-
14								
15	BASE REVENUES	1,483,797,944	\$ 157,846,506	\$ 0.1064	\$ 172,486,665	\$ 0.1162	\$ 14,640,159	9.27%

BLACK HILLS POWER, INC.
South Dakota PIPR Rider Revenue
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	(a) October-13	(b) November-13	(c) December-13	(d) January-14	(e) February-14	(f) March-14	(g) April-14	(h) May-14	(i) June-14	(j) July-14	(k) August-14	(l) September-14
1	CPGS Rider Revenue Requirement Calculation - October 2013 through September 2014													
2			\$ 6,198,714	\$ 4,897,269	6,056,450	4,286,920	3,146,758	3,278,425	3,261,999	3,331,653	2,703,298	2,076,686	1,725,180	2,685,132
3	Forecasted Monthly Construction Costs		58,526,380	63,418,849	69,475,299	73,764,219	76,910,977	80,189,402	83,452,401	86,784,054	89,487,352	91,564,018	93,289,198	95,974,330
4	Forecasted Monthly Cumulative Construction Costs		91.53%	91.53%	91.53%	91.53%	91.53%	91.53%	91.53%	91.53%	91.53%	91.53%	91.53%	91.53%
5	Jurisdictional Allocation		53,569,379	58,047,272	63,590,741	67,616,390	70,396,617	73,397,360	76,383,983	79,433,445	81,907,773	83,808,546	85,387,603	87,845,304
6	WY Forecasted Monthly Cumulative Construction Costs	(Ln. 4 x Ln. 5)	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
7	CPGS Rider Rate of Return - Forecasted	Ln. 27												
8	CPGS Monthly Return on Costs	(Ln. 6 * Ln. 7 / 12)	245,216	266,050	291,458	309,450	322,651	336,405	350,093	364,070	375,411	384,123	391,360	402,624
9	CPGS Rider Equity Return	Ln. 26	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%	4.63%
10	CPGS Monthly Rider Return on Equity	(Ln. 6 * Ln. 9 / 12)	205,689	223,966	245,354	260,501	271,634	283,191	294,715	306,481	316,027	323,361	329,454	338,936
11	Federal Tax Gross-up Factor	1 / (1 - 35)	1.53846	1.53846	1.53846	1.53846	1.53846	1.53846	1.53846	1.53846	1.53846	1.53846	1.53846	1.53846
12	Equity Return Tax Gross-up	Ln. 10 * Ln. 11	317,993	344,563	377,467	400,770	417,267	435,678	454,407	471,509	486,195	497,478	506,852	521,439
13	Monthly Revenue Requirement	Ln. 8 + Ln. 12 - Ln. 13	356,820	385,847	423,571	448,719	468,904	488,892	508,785	529,098	548,579	558,240	566,758	583,127
14														
15	Forecasted Annual CPGS Rider Revenue	Note 1	6,688,325											
16	Test Year CPGS Rider Revenue	Ln. 15 - Ln. 16	1,936,387											
17	Revenue Adjustment		4,751,938											
18														
19														

Note (1) Sum of line 13, columns (h) through column (l) * 12/5. Annualized the last five months of PIPR revenue.

Section J

20:10:13:86. Statement J -- Depreciation Expense. Statement J shall show for the test period depreciation expense by functional classification. These expenses shall be shown in separate columns as follows:

- (1) Expenses for the test period per books;
- (2) Claimed adjustments, if any, to actual expense;
- (3) Total adjusted expense claimed.

The bases, methods, essential computations and derivation of unit rates for the calculation of depreciation expense for the test period and for the depreciation adjustments shall be fully and clearly explained. The amounts of depreciable plant shall be shown by the functions specified in paragraph C of account 108, accumulated provisions for depreciation of plant in service of the FERC's uniform systems of accounts for public utilities and licensees or for gas companies and, if available, for each detailed plant account in the 300 series, together with the rates used in computing such expenses. Any deviation from the rates used in disposing of the utility's last previous rate filing or determination by this commission shall be explained, showing the rate or rates previously used together with supporting data for the new rate or rates used for this filing. Material required by § 20:10:13:87 shall be submitted as a part of statement J.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-7, 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section J

20:10:13:87. Schedule J-1 -- Expense Charged Other Than Prescribed

Depreciation. Schedule J-1 shall be included in support of statement J as a reconciliation of the aggregate investment in electric or gas plant shown in statement D, and the expense thereon charged in the first instance to other than prescribed depreciation expense accounts.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Schedule J-2 – This Schedule reflects the amortization of the decommissioning regulatory asset. The unamortized regulatory asset amount is included in the Other Rate Base Reductions on Statement M, column (b) and the annual amortization expense is included in the Amortization amount on Statement M, column (b).

Schedule J-3 – This Schedule shows the amortization of the Storm Atlas regulatory asset and system inspection costs. The unamortized regulatory asset is included in the Other Rate Base Reductions on Statement M, column (b) and the annual amortization expense is included in the Amortization amount on Statement M, column (b).

BLACK HILLS POWER, INC.
DEPRECIATION AND AMORTIZATION EXPENSE
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	(a) Adjusted Plant in Service	(b) Sched. D-3 Less: Non-Depreciable Items	(c) (a) - (b) Depreciation Plant	(d) Functional Class Depreciation Rate	(e) (c) * (d) Adjusted Depreciation Expense	(f) Sched. E-1 Depreciation/ Amortization Expense Per Books	(g) (e) - (f) Depreciation Adjustment
1	Steam Production- by Plant								
2	Ben French		\$ -	\$ -	\$ -	16.23%	\$ -	\$ 489,104	\$ (489,104)
3	Neil Simpson I		-	-	-	21.97%	-	777,764	(777,764)
4	Neil Simpson II		153,375,539	7,965	153,367,574	2.90%	4,447,660	3,505,549	942,111
5	Osage		-	-	-	12.07%	-	465,658	(465,658)
6	Wygen III		134,929,287	-	134,929,287	2.64%	3,562,133	3,078,869	483,264
7	Wyodak		111,118,846	109,191	111,009,656	2.86%	3,174,876	3,313,428	(138,552)
8	CPGS		92,250,624	-	92,250,624	3.29%	3,035,046	-	3,035,046
9	Other Production		83,201,867	2,705	83,199,162	2.50%	2,079,979	1,756,016	323,963
10	Total Production Plant	Sum (Ln. 2:Ln. 9)	574,876,163	119,860	574,756,303		16,299,694	13,386,388	2,913,306
11									
12	Transmission		115,033,899	5,745,930	109,287,969	2.26%	2,469,908	2,396,230	73,678
13									
14	Distribution		334,073,284	2,106,585	331,966,699	2.70%	8,963,101	8,425,932	537,169
15									
16	General		52,043,800	1,603,243	50,440,557	4.62%	1,635,464	1,701,148	(65,685)
17									
18	Other Utility Plant		27,796,131	-	27,796,131	7.65%	2,126,452	2,000,163	126,289
19									
20	Subtotal Plant in Service	Sum (Ln.11:Ln.19)	1,103,823,277	9,575,618	1,094,247,659		31,494,618	27,909,862	3,584,757
21									
22	Plant Acquisition Adjustment		4,870,308	-	4,870,308	2.00%	97,406	97,406	-
23									
24	Total Plant in Service	Ln.21 + Ln.23	<u>\$ 1,108,693,585</u>	<u>\$ 9,575,618</u>	<u>\$ 1,099,117,967</u>		<u>\$ 31,592,024</u>	<u>\$ 28,007,268</u>	<u>\$ 3,584,757</u>

Note (1) Non-depreciable items from Schedule D-1 include: land, land rights, acquisition adjustment and rate case costs.

BLACK HILLS POWER, INC.
EXPENSE CHARGED OTHER THAN PRESCRIBED DEPRECIATION
For the Test Year Ended September 30, 2013

Line No.	Policy Description
1	Black Hills Power did not have any expenses charged other than prescribed depreciation
2	for the test year.

BLACK HILLS POWER, INC.
Amortization of Decommissioning Regulatory Asset - Total Company
For the Pro Forma Test Year Ended September 30, 2013

Schedule J-2
Page 1 of 1

Line No.	Production Plant	(a) Plant In Service as of 6/30/13	(b) Accumulated Depreciation as of 6/30/2013	(c) (a) - (b) Net Book Value as of 6/30/13	(d) Estimated Depreciation 7/1/13 - 9/30/14	(e) (b) + (d) Estimated Accumulated Depreciation as of 9/30/2014	(f) (a) - (e) Estimated Net Book Value as of 9/30/14	(g) Estimated Total Decommissioning Costs	(h) (f) + (g) Estimated Regulatory Asset
1	Ben French	\$ 14,366,735	\$ 14,283,783	\$ 82,952	\$ 618,060	\$ 14,901,843	\$ (535,108)	\$ 3,959,606	\$ 3,424,498
2	Osage Units 1-3	18,170,580	18,271,582	(101,002)	586,845	18,858,427	(687,847)	3,951,736	3,263,889
3	Neil Simpson	22,394,874	16,690,994	5,703,880	870,675	17,561,669	4,833,205	2,975,413	7,808,618
4	Subtotal								14,497,005
5	Estimated Ben French, Osage, and Neil Simpson I Obsolete Inventory (1)								2,866,565
6	Total								17,363,570
7	Amortization Period (years)								5
8	Annual Amortization Expense								\$ 3,472,714
9									
10	Unamortized Regulatory Asset								\$ 13,890,856
11									
12	Note (1) Obsolete inventory is broken down by unit and removed from rate base on Schedule F-1.								

BLACK HILLS POWER, INC.
Amortization of Storm Atlas Regulatory Asset and System Inspection Costs - South Dakota
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	Storm Atlas Regulatory Asset		
2	Regulatory Asset Balance as of 12/31/13		\$ 2,696,508
3	Estimated Remaining Storm Costs		300,000
4	Total Estimated Regulatory Asset		<u>2,996,508</u>
5			
6	2014 BHP SD System Inspection Costs		
7	Distribution Line Patrol - Contract Labor		\$ 542,000
8	Estimated O&M Repair Work		600,000
9	Total Estimated BHP Inspection Costs		<u>1,142,000</u>
10			
11	Storm Atlas and System Inspection Cost Amortization		
12	Estimated Regulatory Asset and System Inspection Costs		\$ 4,138,508
13	Amortization Period (years)		<u>5</u>
14	Annual Amortization Expense		<u>827,702</u>
15			
16	Unamortized Regulatory Asset		<u>\$ 3,310,806</u>

Section K

20:10:13:88. Statement K -- Income Taxes. Statement K shall show for the test period income taxes computed on the basis of the rate of return claimed applied to the overall utility rate base and separated between federal and state taxes. If the rate base claimed includes adjustments other than book figures for the test period 13-month average, the income taxes shall be computed separately for claimed rate base and for the 13-month average rate base per books for the test period. All tax adjustments shall be completely described and the amounts shown separately. Amounts of deferred taxes debited and credited shall be shown separately. The amounts and basis of assignment of income taxes attributed to other utility departments and nonutility operations shall be shown, together with all tax savings affecting the total tax liability. If the filing public utility joins in a consolidated tax return, the total estimated tax savings, expressed as a percentage, resulting from the filing of a consolidated return shall be given, as well as a full explanation of the method of computing the tax savings. Any abnormalities such as nonrecurring income, gains, losses, and deductions affecting the income tax for the test period shall be explained and the tax effect set forth. Items required by §§ 20:10:13:89 to 20:10:13:93, inclusive, shall be submitted as a part of statement K.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Statement K Page 1 & 2: This Statement is used to adjust federal income tax to a normalized amount based on the adjusted debt to equity structure and based on adjusted operating income projections.

Statement K Page 3: This Statement shows the calculation of implied debt expense using the adjusted rate base, multiplied by the adjusted cost of debt. Based on this calculation, there would be less interest expense and therefore more taxable income. The decrease of interest expense is reported on Statement K pg. 1 line 4.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section K

20:10:13:89. Schedule K-1 -- Working Papers for Federal Income Taxes. In support of federal income taxes, the utility shall submit a complete reconciliation of the book net income with taxable net income as reported to the federal Internal Revenue Service for the most recent year for which a tax return was filed and for the three previous years. A complete explanation of all items in the reconciliation shall be submitted. If the tax allowances claimed give effect to omission of items appearing or inclusion of items not appearing in the reconciliations for the most recent tax return, the reasons for such omissions or inclusions shall be submitted. All items in the reconciliation shall be referenced specifically to the elements of the cost of service to which they refer.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section K

20:10:13:90. Schedule K-2 -- Differences in Book and Tax Depreciation. If tax depreciation differs from book depreciation, the utility shall file schedule K-2 showing the computation of the tax depreciation which will indicate the differences between book and tax depreciation on a straightline basis, and differences arising from class life (ADR) depreciation, and the excess of liberalized depreciation and amortization of emergency facilities over straightline depreciation for tax purposes for the taxable year or years.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section K

20:10:13:91. Schedule K-3 -- Working Papers for Consolidated Federal Income Tax. If the utility joins in the filing of a consolidated federal income tax return, schedule K-3 shall be submitted showing the net taxable income or loss for each company in the consolidation, including an adjustment to effect the exclusion of excess of liberalized depreciation and amortization of emergency facilities over straightline depreciation for each company involved. There shall also be submitted with the statement of taxable net income or tax loss of each individual company participating in the consolidated returns, the details of consolidating adjustments and a computation of the system tax liability based on the consolidated net income for the last tax year ending within or immediately prior to the test period for which a tax return was filed. In addition, there shall be included a computation showing the percentage of tax savings arising from consolidation for the taxable year or years covered by the test period. Only one copy of schedule K-3 need be supplied by the utility.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section K

20:10:13:92. Schedule K-4 -- Working Papers for an Allowance for Current Tax Greater Than Tax Calculated at Consolidated Rate. If the utility claims an allowance for current tax in its cost of service which would be greater than the federal income tax calculated at the consolidated tax rate or taxes as a percentage of total taxable income of individual companies with positive taxable income, full disclosure thereof shall be made, including the allocation among utility and nonutility departments of the tax payable and the assignment of deductions or tax benefits relied upon, or both.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section K

20:10:13:93. Schedule K-5 -- Working Papers for Claimed Allowances for State Income Taxes. In support of the claimed allowances for income taxes paid state governments, the utility shall submit schedule K-5 showing the income tax paid each state in the current or previous year covered by the test period, including the effect of liberalized depreciation on the taxes paid.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
COMPUTATION OF FEDERAL INCOME TAX
For the Pro Forma Test Year Ended September 30, 2013

Statement K
Page 1 of 3

Line No.	Description	Reference	(a) Per Books	(b) Pro Forma Tax Rtn True Up	(c) (a) + (b) Per Books as Adjusted Total	(d) Pro Forma Adjustments	(e) (c) + (e) Adjusted Total	(f) Additional Revenue Required	(g) (e) + (f) Claimed Rate of Return
1	Operating Income Before								
2	Federal Income Taxes	Strmt. M Ln. 14(a)	\$ 60,839,739	\$ -	\$ 60,839,739	\$ 2,801,238	\$ 63,640,976	\$ 12,208,401	\$ 75,849,377
3	AFUDC		(3,931,226)	-	(3,931,226)	-	(3,931,226)	-	(3,931,226)
4	Less Interest Expense		22,233,936	-	22,233,936	(2,206,631)	20,027,305	-	20,027,305
5	Subtotal	Ln.2 - Ln.3 - Ln.4	42,537,028	-	42,537,028	5,007,868	47,544,896	12,208,401	59,753,298
6									
7	Tax Adjustments - Permanent Differences								
8	Fines & Penalties		(33,117)	106,000	72,883	-	72,883	-	72,883
9	Meals & Entertainment		80,540	13,996	94,536	-	94,536	-	94,536
10	Lobbying		37,459	-	37,459	-	37,459	-	37,459
11	Club Dues		3,411	3,005	6,416	-	6,416	-	6,416
12	Equity AFUDC (net of depr)		167,939	-	167,939	(404,311)	(236,372)	-	(236,372)
13	PEP Life - Cash Surrender Value		(177,964)	(706,681)	(884,645)	-	(884,645)	-	(884,645)
14	Officer Life Insurance		(108,692)	-	(108,692)	-	(108,692)	-	(108,692)
15	Retiree HC Subsidy		-	(71,914)	(71,914)	-	(71,914)	-	(71,914)
16	Total Permanent Differences	Sum (Ln.8:Ln.15)	(30,424)	(655,594)	(686,018)	(404,311)	(1,090,329)	-	(1,090,329)
17									
18	Tax Adjustments - Temporary Differences								
19	Prepays		-	19,771	19,771	-	19,771	-	19,771
20	State Tax Deduction		-	(5,063)	(5,063)	-	(5,063)	-	(5,063)
21	Employee Group Insurance		(42,465)	-	(42,465)	-	(42,465)	-	(42,465)
22	Pension		545,759	(2,299,000)	(1,753,241)	-	(1,753,241)	-	(1,753,241)
23	PEP Plan		(86,060)	-	(86,060)	-	(86,060)	-	(86,060)
24	Performance Plan Bonus		-	3,108	3,108	-	3,108	-	3,108
25	Retiree Healthcare		(172,474)	(852,539)	(1,025,013)	-	(1,025,013)	-	(1,025,013)
26	Pension Supplement (SERP)		59,656	-	59,656	-	59,656	-	59,656
27	Deferred Energy		1,089,537	(2,822)	1,086,715	-	1,086,715	-	1,086,715
28	Deferred Costs		(704,284)	238,963	(465,321)	-	(465,321)	-	(465,321)
29	Vacation		42,725	-	42,725	-	42,725	-	42,725
30	OCI Derivative - Interest Rate SW		(101,664)	(1)	(101,665)	-	(101,665)	-	(101,665)
31	Results Compensation		(128,130)	-	(128,130)	-	(128,130)	-	(128,130)
32	Insurance Reserve		-	-	-	-	-	-	-
33	Line Extension Deposits		(289,220)	28,575	(260,645)	-	(260,645)	-	(260,645)
34	Accrued Litigation		888,139	-	888,139	-	888,139	-	888,139
35	Reacquired Bond Loss		243,627	-	243,627	-	243,627	-	243,627
36	Power Plant Maintenance		434,448	-	434,448	-	434,448	-	434,448

BLACK HILLS POWER, INC.
COMPUTATION OF FEDERAL INCOME TAX
For the Pro Forma Test Year Ended September 30, 2013

Statement K
Page 2 of 3

Line No.	Description	Reference	(a) Per Books	(b) Pro Forma Tax Rtn True Up	(c) Per Books as Adjusted Total (a) + (b)	(d) Pro Forma Adjustments	(e) Adjusted Total (c) + (e)	(f) Additional Revenue Required	(g) Claimed Rate of Return (e) + (f)
37	Rate Refund		1,726,112		1,726,112	-	1,726,112	-	1,726,112
38	Workman's Compensation		(99,416)	-	(99,416)	-	(99,416)	-	(99,416)
39	Section 174 Develop & Engineer Cos		(3,150,948)	(1,010,728)	(4,161,676)	-	(4,161,676)	-	(4,161,676)
40	Section 162 Costs		-	(428,537)	(428,537)	-	(428,537)	-	(428,537)
41	Gain/Loss on Disposition of Assets		-	(88,254)	(88,254)	-	(88,254)	-	(88,254)
42	Contributions in Aid of Construction		752,961	(449,841)	303,120	-	303,120	-	303,120
43	Cost of Removal		(1,575,558)	-	(1,575,558)	-	(1,575,558)	-	(1,575,558)
44	Depreciation		(3,560,290)	554,100	(3,006,190)	-	(3,006,190)	-	(3,006,190)
45	Facts & Circumstances - Elect		(25,010)	(153,830)	(178,840)	-	(178,840)	-	(178,840)
46	Property Amortization		-	-	-	-	-	-	-
47	Simplified Service Cost		-	(52,618)	(52,618)	-	(52,618)	-	(52,618)
48	Gain Deferral		(2,740,999)	(54,266)	(2,795,265)	-	(2,795,265)	-	(2,795,265)
49	Unit of Property		-	(757,737)	(757,737)	-	(757,737)	-	(757,737)
50	Bad Debt Reserve		-	(1,789,726)	(1,789,726)	-	(1,789,726)	-	(1,789,726)
51	Total Temporary Differences	Sum (Ln.19:Ln.50)	(6,893,554)	(7,100,445)	(13,993,999)	-	(13,993,999)	-	(13,993,999)
52									
53	Taxable Income (NOL)	Ln.5 + Ln.16 + Ln.51	35,613,050	(7,756,039)	27,857,011	4,603,557	32,460,568	12,208,401	44,668,970
54	Net Operating Loss		(35,613,050)	7,756,039	(27,857,011)	(4,603,557)	(32,460,568)	(12,208,401)	(44,668,970)
55	Taxable Income		-	-	-	-	-	-	-
56									
57	Current Federal Income Tax @ 35%	Ln.48 * 35%	-	-	-	-	-	-	-
58	FIN 48		98,535	-	98,535	-	98,535	-	98,535
59	Deferred Income Tax	-(Ln.46 + 54) * 35%	14,877,311	(229,458)	14,647,854	1,611,245	16,259,098	4,272,940	20,532,039
60	Flow Thru Unit of Property Net of Depr		(710,837)	(75,973)	(786,810)	-	(786,810)	-	(786,810)
61	Tax Return True Up 2012 and DIT True Up		1,116,039	-	1,116,039	(1,116,039)	-	-	-
62	R & D credit		(275,849)	-	(275,849)	-	(275,849)	-	(275,849)
63	Tax effect of I/C Interest Expense		-	(683,125)	(683,125)	683,125	-	-	-
64	Remove: Non-Operating Income Tax Expense (Benefit)		57,373	-	57,373	(57,373)	-	-	-
65	Miscellaneous Tax Adjustment		(7,557)	-	(7,557)	7,557	-	-	-
66	Investment Tax Credit Amortization		-	-	-	-	-	-	-
67	Excess Deferred Tax Amortization		(140,980)	-	(140,980)	-	(140,980)	-	(140,980)
68	Total Federal Income Tax - Operating	Sum (Ln.57:Ln.65)	\$ 15,014,035	\$ (988,556)	\$ 14,025,480	\$ 1,128,515	\$ 15,153,994	\$ 4,272,940	\$ 19,426,935

Tax Savings Due to Consolidation

There will be no tax savings as a result of filing a consolidated tax return for the test year ended June 30, 2013.

Abnormalities for Test Period

None.

Note 1: See Statement K, page 3 of 3.

004500

BLACK HILLS POWER, INC.
INTEREST EXPENSE - ANNUALIZATION ADJUSTMENT
For the Test Year Ended September 30, 2013

Statement K
Page 3 of 3

Line No.	Description	Reference	Amount
1	Total Rate Base - Adjusted Total Statement M	Stmt. M Ln. 29(e)	\$ 665,358,984
2			
3	Weighted Debt Cost - Stmt G pg1	Stmt. G pg. 1 Ln. 2(d)	<u>3.01%</u>
4			
5	Adjusted Interest Expense	Ln. 1 * Ln. 3	20,027,305
6			
7	Interest Expense - Stmt G pg2	Stmt. G pg. 2 Ln. 13(k)	<u>17,735,909</u>
8			
9	Variance	Ln. 5 - Ln. 7	<u>2,291,396</u>
10			
11	Federal Income Tax - 35% (Addition to FIT)	-Ln. 9 * 35%	<u>\$ (801,989)</u>
12			
13	Note: Interest expense variance on line 11 is included in the pro forma adjustments column (d)		
14	on Stmt K pg 1.		

BLACK HILLS POWER, INC.
RECONCILIATION OF BOOK NET INCOME WITH TAXABLE INCOME
For the Years 2008 Through 2012

Schedule K-1
Page 1 of 1

Line No.	Description	2008	2009	2010	2011	2012
1	Net Income Per Books	\$ 22,759,260	\$ 23,138,853	\$ 31,267,982	\$ 27,097,056	\$ 27,086,197
2						
3	Income Taxes	9,550,527	8,314,209	10,735,334	11,994,880	14,312,489
4	Fines & Penalties	1,428	-	32,831	328,434	(72,392)
5	Meals & Entertainment	80,383	81,677	98,233	93,796	81,370
6	Club Dues	-	-	7,270	2,615	5,295
7	Lobbying	25,303	21,791	497	43,200	57,396
8	Equity AFUDC	(3,331,715)	(5,483,957)	(2,575,065)	(421,749)	(84,997)
9	PEP Life - Cash Surrender Value	(246,285)	(198,311)	(215,334)	(858,301)	(240,672)
10	Officer Life Insurance	(1,180)	(196,798)	(434)	606,603	(232,777)
11	RAR 79-84	(2,835)	-	-	-	-
12	State Tax Deduction					(5,063)
13	Retiree Healthcare Subsidy	(102,899)	(112,053)	(88,556)	(67,263)	(71,914)
14	Employee Group Insurance	30,776	(7,829)	(6,327)	(3,665)	(42,465)
15	Pension	135,366	3,387,334	(5,519,290)	(5,054,522)	952,072
16	PEP Plan	97,758	(191,048)	317,264	(31,728)	(120,150)
17	Insurance Reserve	-	-	(6,125)	(249)	6,374
18	Performance Plan Bonus	(20,205)	(10,975)	8,569	819	3,108
19	Interest on IRS Settlement	196,312	-	-	-	-
20	Retiree Healthcare	421,875	233,564	582,449	170,433	(665,146)
21	Pension Supplement (SERP)	(33,836)	17,816	3,192	(26,394)	68,772
22	Vacation	35,240	3,198	(306,932)	204,469	(75,776)
23	Deferred Energy	(3,655,202)	(3,136,024)	4,227,162	(3,364,464)	(288,440)
24	Power Plant Maintenance	-	-	568,755	(533,660)	99,757
25	Deferred Costs	35,554	(296,059)	(224,432)	235,580	145,193
26	Derivatives - Interest Swap	64,331	64,331	64,331	64,331	64,331
27	Air Allowances	-	(366,346)	-	-	-
28	Results Compensation/Bonus	284,895	(533,456)	1,558,829	187,301	227,702
29	Unit of Property	(3,482,329)	(2,689,718)	(4,884,413)	(6,831,706)	(3,733,104)
30	Capitalized Interest	1,778,130	3,854,313	1,372,307	-	-
31	Line Extension Deposits	(427,393)	(691,339)	(966,068)	(2,038,336)	(428,107)
32	Accrued Litigation					888,139
33	Officer Restricted Stock	-	-	-	-	-
34	Reacquired Bond Loss	160,478	160,477	(809,641)	250,982	264,466
35	Rate Refund	-	1,221,513	(383,799)	191,089	(152,600)
36	State Deferred Adjustment					(4,110)
37	Property Amortization	12,414	-	(32,392)	(6,462)	-
38	Workman's Compensation	1,441,495	(240,540)	(472,860)	(141,544)	(246,554)
39	Sec 481 (a) Facts and Circumstances	(13,876,649)	-	-	-	-
40	Contributions in Aid of Construction	797,601	380,928	499,286	2,523,025	2,810,642
41	Cost of Removal	(856,918)	(573,890)	(1,938,139)	(2,186,968)	(1,853,512)
42	Depreciation & Amortization	(9,096,332)	(19,473,849)	(84,804,932)	(52,374,871)	(7,068,773)
43	Sec 162, Sec 174 & Warranty Expense	(17,044,059)	(9,453,704)	(1,949,440)	-	(1,439,265)
44	Simplified Service Cost	209,826	(13,192)	494	(17,162)	(52,618)
45	Facts and Circumstances Method	(5,916,025)	(5,286,102)	(5,082,749)	(2,830,649)	(1,405,061)
46	Prepaid Expenses	(93,639)	(107,890)	(14,412)	(85,100)	19,771
47	Repair Allowance	(1,579,972)	(1,604,144)	(1,360,605)	-	-
48	Bad Debt Reserve	(18,368)	251,908	351,884	163,188	(1,789,726)
49	Book/Tax Gain Difference	173,130	4,386,992	5,299,616	657,621	(88,254)
50	Gain Deferral					(757,737)
51	Taxable income before NOL	<u>\$ (21,493,759)</u>	<u>\$ (5,148,320)</u>	<u>\$ (54,645,660)</u>	<u>\$ (32,059,371)</u>	<u>\$ 26,173,861</u>

BLACK HILLS POWER, INC.
RECONCILIATION OF BOOK NET INCOME WITH TAXABLE INCOME
For the Years 2008 Through 2012
CONFIDENTIAL (NOT AVAILABLE TO THE PUBLIC)

Schedule K-1
Page 1 of 1

BLACK HILLS POWER, INC.
DIFFERENCES IN BOOK AND TAX DEPRECIATION
For the Year Ended December 31, 2012

Line No.	Description	Reference	Amount
1	Bonus Depreciation		\$ 12,173,979
2	Current Year MACRS Declining Balance		609,692
3	Current Year MACRS Straight Line		-
4	ACRS and Other		95,770
5	Prior Years MACRS		<u>20,290,754</u>
6	Tax Depreciation	Sum (Ln.1:Ln.5)	<u>33,170,195</u>
7			
8	Book Depreciation		<u>26,101,422</u>
9	Excess Tax Over Book Depreciation	Ln. 6 - Ln. 8	<u>\$ 7,068,773</u>
10			
11	Note: Above amounts are per the last filed tax return covering the year ended December 31, 2012.		

BLACK HILLS POWER, INC.
TAX ALLOCATION
For the Year Ended December 31, 2012

Schedule K-3
Page 1 of 1

Line No.	Companies Included in Consolidated Tax Return	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
		Taxable Income	NOL	(a) + (b) Adjusted Taxable Income	Tax Rate	(c) * (d) Income Tax Before Credits	Hire Credit	R & D	Alternative Motor Vehicle	Alternative Vehicle Refueling Prop	Income Tax
1	Black Hills Power, Inc.	\$ 26,173,862	\$ (26,173,862)	\$ -	35%	\$ -	\$ -	\$ (70,373)	\$ (15,000)	\$ -	\$ (85,373)
2	Black Hills Corporation	28,824,597	(28,824,597)	-	35%	-	-	(130,179)	(7,500)	(2,142)	(139,821)
3	Black Hills Exploration and Production, Inc.	127,537,493	(127,537,493)	-	35%	-	-	(13,350)	-	-	(13,350)
4	Cheyenne Light, Power and Fuel	(2,802,825)	2,802,825	-	35%	-	-	(111,076)	(15,000)	(771)	(126,847)
5	Wyodak Resources Development Corp.	7,290,238	(7,290,238)	-	35%	-	-	(13,800)	-	-	(13,800)
6	Enserco Energy, Inc.	2,255,614	(2,255,614)	-	35%	-	-	-	-	-	-
7	Black Hills Gas Resources, Inc.	(10,512,358)	10,512,358	-	35%	-	-	-	-	-	-
8	Black Hills Utility Holdings, Inc.	21,419,952	(21,419,952)	-	35%	-	-	-	-	-	-
9	EIF Investors, Inc.	-	-	-	35%	-	-	-	-	-	-
10											
11	Total	\$ 200,186,573	\$ (200,186,573)	\$ -		\$ -	\$ -	\$ (338,778)	\$ (37,500)	\$ (2,913)	\$ (379,191)

13 Tax savings Due to Consolidation

14 There will be no tax savings as a result of filing a consolidated tax return for the year ended December 31, 2012.

15 NOL reflects utilization of carry forward that may have been generated by other members of the consolidated group.

16 Footnote

17 Taxable income per above for Black Hills Power, Inc., includes non-operating taxable income.

BLACK HILLS POWER, INC.
TAX ALLOCATION
For the Year Ended December 31, 2012

Schedule K-3
Page 1 of 1

CONFIDENTIAL (NOT AVAILABLE TO THE PUBLIC)

BLACK HILLS POWER, INC.
CURRENT INCOME TAX
For the Test Year Ended September 30, 2013

Schedule K-4
Page 1 of 1

Line No.	Description
1	As shown in Statement K, page 1, current federal income tax per books is calculated on a
2	separate return basis at the statutory rate of 35%.

BLACK HILLS POWER, INC.
STATE INCOME TAXES
For the Test Year Ended September 30, 2013

<u>Line No.</u>	<u>State</u>	<u>Amount</u>
1	Montana	\$ 3,403
2		
3	Wyoming	N/A
4		
5	South Dakota	N/A
6		
7	Nebraska	N/A

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section L

20:10:13:94. Statement L – Taxes Other Than Income. For the test period, other taxes shall be classified under the headings of federal, state, and local, with subclassifications showing kind of taxes. The statement shall show separately, by columns, the following:

- (1) Tax expense per books for the test period;
- (2) Claimed adjustments, if any, to amounts booked;
- (3) Total adjusted taxes claimed.

Items required by § 20:10:13:96 shall be submitted as a part of statement L.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section L

20:10:13:95. Schedule L-1 -- Working Papers for Adjusted Taxes. Schedule L-1 shall show computations of adjusted taxes claimed in statement L.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
TAXES OTHER THAN FEDERAL INCOME TAX
For the Pro Forma Test Year Ended September 30, 2013

Statement L
Page 1 of 1

Line No.	Description	(a) Per Books	(b) Pro Forma Adjustments	(c) (a) + (b) Adjusted Total
1	Federal Taxes			
2	FICA Tax	\$ 3,007,210	\$ 21,283	\$ 3,028,493
3	Unemployment Tax	20,987	487	21,474
4				
5				
6	State Taxes			
7	Unemployment Tax	80,114	487	80,601
8	Montana Electric Energy Tax	15,777		15,777
9	Wyoming Franchise Taxes	64,059		64,059
10	South Dakota PUC Tax	211,595	38,643 (1)	250,238
11	Wyoming Sales Tax	(5,843)	5,843	-
12				
13	Local Taxes			
14	Property	5,042,451	0	5,042,451
15				
16	TOTIT- Payroll Loading	(3,077,071)		(3,077,071)
17				
18	Total Other Taxes	<u>\$ 5,359,279</u>	<u>\$ 66,743</u>	<u>\$ 5,426,022</u>
19				
20				
21				

NOTE (1): Additional Revenue required multiplied by applicable Mill Levy Tax.

BLACK HILLS POWER, INC.
ADJUSTMENTS OTHER THAN FEDERAL INCOME TAX
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	FICA Tax Adjustment		
2	Net O&M Payroll Changes	Sched. H-1, Ln.8 - Ln 5	\$ 278,204
3	FICA Tax Rate		<u>7.65%</u>
4	Additional FICA Tax on O&M Wage Increase	Ln.2 * Ln.3	21,283
5			
6	Adjustment to FICA Tax	Ln.4	<u>\$ 21,283</u>
7			
8	Unemployment Tax Adjustment		
9	O&M Payroll Changes	Sched. H-1, Ln.8 - Ln 5	278,204
10	Estimated Blended Tax Rate		<u>0.35%</u>
11			
12	Adjustment to Unemployment Tax	Ln.9 * Ln.10	<u>\$ 974</u>
13			
14	Federal Adjustment	Ln.12 / 2	\$ 487
15	State Adjustment	Ln.12 / 2	\$ 487

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section M

20:10:13:96. Statement M -- Overall Cost of Service. Statement M shall show for the test period the overall cost of service per books for the filing public utility's utility operations during the test period, including allowances for return and income taxes based upon the rate of return claimed, together with the operating revenues of the filing public utility for the test period. If the filing public utility claims any adjustments to book figures, the cost of service based upon the claimed adjustments shall be shown on a separate schedule. If the amount of the filing public utility's total utility operating revenue differs significantly from its overall cost of service, including allowances for claimed return and income taxes, the filing public utility shall show the amounts available for return and taxes on income and return expressed as a percentage of rate base.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority:SDCL 49-34A-4.

Law Implemented:SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section M

Schedule M-1 – Other Rate Base Reductions. This schedule shows reductions to rate base, based on a twelve month average balance, by FERC account. The other rate base reduction amounts related specifically to the BHP CUS are on line 66. The total of these rate base reductions are on Statement M, Line 27.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section M

Schedule M-2 – Adjustment to Deferred Taxes. This Schedule reflects an adjustment for deferred income taxes on the pro forma plant additions from Statement D, page 2, as well as the retirements of Ben French, Osage and Neil Simpson I. This calculation is based on assets that qualify for a bonus depreciation. This adjustment is summarized on Statement M, line 27.

BLACK HILLS POWER, INC.
OVERALL COST OF SERVICE
For the Pro Forma Test Year Ended September 30, 2013

Statement M
Page 1 of 1

Line No.	Description	Reference	(a) Per Books	(b) Pro Forma Adjustments	(c) (a) + (b) Adjusted Total	(d) Additional Revenue Required	(e) (c) + (d) Adjusted Rate of Return	
1	Operating Revenue							
2	Sales of Electricity	Stmt. I pg. 1 Ln. 14	\$ 215,699,899	\$ (59,355,396)	\$ 156,344,503	\$ 12,208,401	\$ 168,552,904	
3	Other Operating Revenue	Stmt. I pg. 1 Ln. 25	33,237,836	(4,638,529)	28,599,307	-	28,599,307	
4	Total Operating Revenue		<u>248,937,735</u>	<u>(63,993,925)</u>	<u>184,943,810</u>	<u>12,208,401</u>	<u>197,152,212</u>	
5								
6	Operating Expenses							
7	Operation and Maintenance	Stmt. H Ln. 136	154,728,047	(74,747,077)	79,980,969	-	79,980,969	
8	Depreciation	Stmt. J Ln. 20	27,909,862	3,584,757	31,494,618	-	31,494,618	
9	Amortization	Stmt. J Ln. 22	97,406	4,300,416	4,397,822	-	4,397,822	
10	Taxes Other Than Income Tax	Stmt. L Ln. 18	5,359,279	66,743	5,426,022	-	5,426,022	
11	State Income Tax	Sched. K-5 Ln. 1	3,403	-	3,403	-	3,403	
12	Total Operating Expenses		<u>188,097,996</u>	<u>(66,795,162)</u>	<u>121,302,834</u>	<u>-</u>	<u>121,302,834</u>	
13								
14	Operating Income Before Tax	Ln. 4 - Ln. 12	60,839,739	2,801,238	63,640,976	12,208,401	75,849,377	
15								
16	Federal Income Tax	Stmt. K. pg. 2 Ln. 68	14,025,480	1,128,515	15,153,995	4,272,940	19,426,935	
17								
18	Return (Operating Income)	Ln. 14 - Ln. 16	<u>46,814,259</u>		<u>48,486,981</u>		<u>56,422,442</u>	
19								
20	Rate of Return	Ln. 18 / Ln.29	<u>8.83%</u>		<u>7.29%</u>		<u>8.48%</u>	
21								
22	Rate Base							
23	Plant in Service	Stmt. D pg. 2 Ln. 24	1,016,264,830	92,428,757	1,108,693,587	-	1,108,693,587	
24	Accumulated Depreciation	Stmt. E pg. 1	(357,675,969)	46,889,614	(310,786,355)	-	(310,786,355)	
25	Accumulated Amort. Acq. Adjustment	Stmt. E pg. 2 Ln. 15	(3,156,280)	-	(3,156,280)	-	(3,156,280)	
26	Working Capital	Stmt. F Ln 9	16,814,753	1,009,516	17,824,269	-	17,824,269	
27	Other Rate Base Reductions	Sched M-1 Ln. 59	(141,965,577)	(5,250,660) (1)	(147,216,237)	-	(147,216,237)	
28								
29	Total Rate Base	Sum (Ln.23:Ln.27)	<u>\$ 530,281,756</u>	<u>\$ 135,077,228</u>	<u>\$ 665,358,984</u>	<u>\$ -</u>	<u>\$ 665,358,984</u>	
30								
31	Note 1: Schedule M-1 Ln.54 (o) + (q) + Schedule M-2 Ln 38 + Schedule J-2 Ln. 10 + Schedule J-3 Ln. 16 + Schedule H-20 Ln. 11							

BLACK HILLS POWER, INC.
OTHER RATE BASE REDUCTIONS
For the Pre Forma Test Year Ended September 30, 2013

Line No.	Account	Description	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013
1	182316	Regulatory Asset - Pension	\$ 27,289,818	\$ 27,289,818	\$ 27,289,818	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304
2	182385	Regulatory Asset - AFUDC	317,892	317,892	317,892	317,892	317,892	317,892	317,892	317,892	317,892	317,892
3	182390	Regulatory Asset - Unit of Property	8,552,058	8,552,058	8,552,058	8,459,622	8,459,622	8,459,622	8,459,622	8,459,622	8,459,622	8,459,622
4	182395	Total Regulatory Assets	43,572,110	43,572,110	43,572,110	43,479,613	43,479,613	43,479,613	43,479,613	43,479,613	43,479,613	43,479,613
5	190175	DT1000 - Variation	226,932	226,932	226,932	200,410	200,410	200,410	200,410	200,410	200,410	200,410
6	190175	DT1040 - Bad Debt Reserve	547,808	547,808	547,808	547,808	547,808	547,808	547,808	547,808	547,808	547,808
7	190175	DT1050 - EE Group Insurance	78,005	78,005	78,005	63,142	63,142	63,142	63,142	63,142	63,142	63,142
8	190175	DT1050 - Workers Comp	217,411	217,411	217,411	126,353	126,353	126,353	126,353	126,353	126,353	126,353
9	190175	DT1070 - Results Comp Plan	536,810	536,810	536,810	704,083	704,083	704,083	704,083	704,083	704,083	704,083
10	190175	DT1465 - NOL Carryforward	-	-	-	17,266,000	17,266,000	17,266,000	17,266,000	17,266,000	17,266,000	17,266,000
11	190175	DT2020 - Retiree Healthcare	3,097,900	3,097,900	3,097,900	3,126,435	3,126,435	3,126,435	3,126,435	3,126,435	3,126,435	3,126,435
12	190520	DT2025 - PEP Plan	518,020	518,020	518,020	474,783	474,783	474,783	474,783	474,783	474,783	474,783
13	190520	DT2065 - Pension (AOCI)	14,691,286	14,691,286	14,691,286	14,691,286	14,691,286	14,691,286	14,691,286	14,691,286	14,691,286	14,691,286
14	190520	DT2085 - ITC	263,123	263,123	263,123	263,123	263,123	263,123	263,123	263,123	263,123	263,123
15	190520	DT2090 - FAS 109 ITC	204,983	204,983	204,983	191,905	191,905	191,905	191,905	191,905	191,905	191,905
16	190520	DT2092 - FAS 109	4,454	4,454	4,454	4,454	4,454	4,454	4,454	4,454	4,454	4,454
17	190520	DT3040 - Performance Plan	317,892	317,892	317,892	317,892	317,892	317,892	317,892	317,892	317,892	317,892
18	190520	DT3040 - Retiree Health (AOCI)	303,863	303,863	303,863	303,863	303,863	303,863	303,863	303,863	303,863	303,863
19	190520	DT3070 - Deferred Compensation	134,421	134,421	134,421	134,421	134,421	134,421	134,421	134,421	134,421	134,421
20	190520	DT4120 - Reg Pension	-	-	-	1,170,431	1,170,431	1,170,431	1,170,431	1,170,431	1,170,431	1,170,431
21	190520	DT4125 - Reg Retiree Healthcare	-	-	-	6,825,329	6,825,329	6,825,329	6,825,329	6,825,329	6,825,329	6,825,329
22	190520	DT4135 - Insurance Reserve	23,340,292	23,340,292	23,340,292	23,340,292	23,340,292	23,340,292	23,340,292	23,340,292	23,340,292	23,340,292
23	190520	DT4165 - NOL Carryforward	9,184	9,184	9,184	9,184	9,184	9,184	9,184	9,184	9,184	9,184
24	190520	DT4285 - IRS Adjustment	1,263,944	1,263,944	1,263,944	1,263,944	1,263,944	1,263,944	1,263,944	1,263,944	1,263,944	1,263,944
25	190520	DT4415 - Alternative Fuel Vehicle Credit	-	-	-	47,198	47,198	47,198	47,198	47,198	47,198	47,198
26	190520	DT4430 - R&D Credit Carryover	-	-	-	752,356	752,356	752,356	752,356	752,356	752,356	752,356
27	190520	DT3020 - Deferred Tax State Income Tax	4,110	4,110	4,110	4,110	4,110	4,110	4,110	4,110	4,110	4,110
28	190520	Total 190 Accounts	44,862,349	44,862,349	44,862,349	44,862,349	44,862,349	44,862,349	44,862,349	44,862,349	44,862,349	44,862,349
29	252000	Customer Advances for Construction	(1,482,978)	(1,482,978)	(1,482,978)	(1,039,875)	(1,039,875)	(1,039,875)	(1,039,875)	(1,039,875)	(1,039,875)	(1,039,875)
30	253011	Accrued GPP	(7,943,813)	(7,943,813)	(7,943,813)	(6,348,524)	(6,348,524)	(6,348,524)	(6,348,524)	(6,348,524)	(6,348,524)	(6,348,524)
31	253100	Accrued Pension	(2,441,491)	(2,441,491)	(2,441,491)	(2,220,102)	(2,220,102)	(2,220,102)	(2,220,102)	(2,220,102)	(2,220,102)	(2,220,102)
32	253105	Regulatory Liability Supplement - EFRP	(16,143,798)	(16,143,798)	(16,143,798)	(16,586,093)	(16,586,093)	(16,586,093)	(16,586,093)	(16,586,093)	(16,586,093)	(16,586,093)
33	254010	Regulatory Liability Plant Maint.	(25,240)	(25,240)	(25,240)	(25,240)	(25,240)	(25,240)	(25,240)	(25,240)	(25,240)	(25,240)
34	254015	Regulatory Liability Flowback Excess Def. Tax	(692,556)	(692,556)	(692,556)	(535,893)	(535,893)	(535,893)	(535,893)	(535,893)	(535,893)	(535,893)
35	254298	Regulatory Liability LT Pension Inc. Tax	(14,691,286)	(14,691,286)	(14,691,286)	(14,691,286)	(14,691,286)	(14,691,286)	(14,691,286)	(14,691,286)	(14,691,286)	(14,691,286)
36	254385	Regulatory Liability LT Retiree ITC	(590,271)	(590,271)	(590,271)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)	(2,173,658)
37	282100/282998	Total Regulatory Liabilities	(42,394,007)	(42,394,007)	(42,394,007)	(45,100,476)	(45,100,476)	(45,100,476)	(45,100,476)	(45,100,476)	(45,100,476)	(45,100,476)
38	283005	DT4063 - Accelerated Depreciation	(153,533,303)	(153,533,303)	(153,533,303)	(154,686,866)	(154,686,866)	(154,686,866)	(154,686,866)	(154,686,866)	(154,686,866)	(154,686,866)
39	283440	DT4065 - Prepaid Expenses	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)	(285,910)
40	283440	DT2015 - Pension Plan	(3,894,653)	(3,894,653)	(3,894,653)	(3,610,164)	(3,610,164)	(3,610,164)	(3,610,164)	(3,610,164)	(3,610,164)	(3,610,164)
41	283440	DT3028 - Tax Effect on State NOL	(2,993,220)	(2,993,220)	(2,993,220)	(2,990,867)	(2,990,867)	(2,990,867)	(2,990,867)	(2,990,867)	(2,990,867)	(2,990,867)
42	283440	DT4065 - FAS 309 AFUDC	(5,558,858)	(5,558,858)	(5,558,858)	(5,498,794)	(5,498,794)	(5,498,794)	(5,498,794)	(5,498,794)	(5,498,794)	(5,498,794)
43	283440	DT4070 - Required Bond Loss	(895,510)	(895,510)	(895,510)	(875,192)	(875,192)	(875,192)	(875,192)	(875,192)	(875,192)	(875,192)
44	283440	Total 282 and 283 Accounts	(163,760,272)	(163,760,272)	(163,760,272)	(170,725,771)	(170,725,771)	(170,725,771)	(170,725,771)	(170,725,771)	(170,725,771)	(170,725,771)
45	283440	Note (1) Existing Other Utility Plant - ADIT	-	-	-	-	-	-	-	-	-	-
46	283440	Total Black Hills Power	(1,525,772,798)	(1,525,772,798)	(1,525,772,798)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)
47	283440	Less: Transmission Other Rate Base Reductions	-	-	-	-	-	-	-	-	-	-
48	283440	Accelerated Depreciation	-	-	-	-	-	-	-	-	-	-
49	283440	Accumulated Deferred Income Taxes	-	-	-	-	-	-	-	-	-	-
50	283440	Accumulated Deferred Income Taxes	-	-	-	-	-	-	-	-	-	-
51	283440	FAS 109 Adjustment (Gross Up on Excess DIT)	-	-	-	-	-	-	-	-	-	-
52	283440	Subtotal	(1,525,772,798)	(1,525,772,798)	(1,525,772,798)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)
53	283440	Total to be included in the Black Hills Power Rate Base	(1,525,772,798)	(1,525,772,798)	(1,525,772,798)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)	(1,519,287,551)

BLACK HILLS POWER, INC.
OTHER RATE BASE REDUCTION
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Account	Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	
			July 2013	August 2013	September 2013	13 Month Average	Adj. to Pro Forma Tax Rtn True Up	Adjusted Total	Pro Forma Adjustments	Final Adjusted Total	
			(Sum (k)-(m))/(3)								
1	182316	Regulatory Asset - Pension	\$ 26,683,304	\$ 26,683,304	\$ 26,683,304	\$ 26,821,884	\$ -	\$ 26,821,884	\$ -	\$ 26,821,884	
2	182385	Regulatory Asset - Reserve H.C.	1,170,431	1,170,431	1,170,431	776,952	-	776,952	-	776,952	
3	182390	Regulatory Asset - AEI/DC	8,456,800	8,456,800	8,414,275	8,473,874	-	8,473,874	-	8,473,874	
4	182395	Regulatory Asset - Unit of Property	8,219,155	8,219,155	8,628,819	8,169,586	-	8,169,586	(8,169,586)	-	
5		Total Regulatory Assets	45,029,691	45,029,691	44,886,830	44,242,296	-	44,242,296	(8,169,586)	36,072,710	
6	190175	DT1000 - Vacation	292,163	282,163	241,886	254,877	-	254,877	-	254,877	
7	190175	DT1010 - Red Debt Reserve	547,808	547,808	178,936	489,623	(626,004)	(626,004)	-	(626,004)	
8	190175	DT1020 - EC Group Insurance	63,142	63,142	63,142	66,572	-	66,572	-	66,572	
9	190175	DT1050 - Workers Comp	184,123	164,123	164,123	164,690	-	164,690	-	164,690	
10	190175	DT1070 - Results Comp Plan	322,922	322,922	491,984	454,271	-	454,271	-	454,271	
11	190175	DT1485 - NOL Carryforward	4,400,000	4,400,000	2,800,000	4,784,509	(298,389)	4,784,509	-	4,784,509	
12	190520	DT1485 - NOL Carryforward	3,054,869	3,054,869	2,739,148	3,064,586	-	2,766,197	-	2,766,197	
13	190520	DT1485 - Reg. Retiree Healthcare	483,527	483,527	487,899	488,796	-	488,796	-	488,796	
14	190520	DT2025 - Pension (AOCI)	(1)	(1)	(1)	3,390,296	-	3,390,296	-	3,390,296	
15	190520	DT2070 - Reg (AOCI)	344,024	344,024	338,214	328,930	-	328,930	-	328,930	
16	190520	DT2085 - TIC	-	-	-	-	-	-	-	-	
17	190520	DT2090 - FAS 109 TIC	-	-	-	-	-	-	-	-	
18	190520	DT2090 - FAS 109	147,865	147,865	128,497	174,189	-	174,189	-	174,189	
19	190520	DT3010 - Performance Plan	4,454	4,454	5,542	4,537	1,088	5,625	-	5,625	
20	190520	DT3040 - Retiree Health (AOCI)	-	-	-	(73,360)	-	(73,360)	-	(73,360)	
21	190520	DT3070 - Deferred Compensation	382,419	382,419	376,523	367,919	-	367,919	-	367,919	
22	190520	DT3075 - Line Extension Deposit	(236,046)	(236,046)	(239,784)	(229,783)	10,001	(229,783)	-	(229,783)	
23	190520	DT4120 - Reg Pension	14,367,933	14,367,933	14,367,933	11,052,256	-	11,052,256	-	11,052,256	
24	190520	DT4125 - Reg. Retiree Healthcare	(1,170,431)	(1,170,431)	(1,170,431)	(900,332)	-	(900,332)	-	(900,332)	
25	190520	DT4135 - Insurance Reserve	3,031,821	3,031,821	3,888,782	6,473,000	2,744,634	9,187,614	-	9,187,614	
26	190520	DT4165 - NOL Carryforward	123,227	123,227	161,241	73,516	-	73,516	-	73,516	
27	190520	DT4170 - Power Plant Maintenance	-	-	-	291,679	-	291,679	-	291,679	
28	190520	DT4285 - IRS Adjustment	-	-	16,782	1,291	-	1,291	-	1,291	
29	190520	DT4415 - Alternative Fuel Vehicle Credit	965,352	965,352	1,012,894	682,578	-	682,578	-	682,578	
30	190520	DT4430 - R&D Credit Carryover	5,443	5,443	5,443	4,828	-	4,828	-	4,828	
31	190520	DT3020 - Deferred Tax State Income Tax	27,284,616	27,284,616	25,633,827	31,389,467	1,800,910	33,190,377	(4,828)	33,185,549	
32		Total 180 Accounts	(1,135,620)	(1,137,533)	(1,193,758)	(1,189,781)	(157,444)	(1,347,225)	-	(1,347,225)	
33	252000	Customer Advances for Construction	(6,507,085)	(6,507,085)	(6,560,139)	(6,792,668)	-	(6,792,668)	-	(6,792,668)	
34	253000	Accrued Group Insurance Retiree LT	(2,210,515)	(2,209,145)	(2,207,775)	(2,198,302)	-	(2,198,302)	-	(2,198,302)	
35	253100	Accrued PEP	(15,637,450)	(15,663,226)	(16,089,003)	(16,620,547)	-	(16,620,547)	-	(16,620,547)	
36	253105	Accrued Pension	(951,610)	(945,985)	(940,380)	(945,150)	-	(945,150)	-	(945,150)	
37	254010	Regulatory Liability Supplement - SERP	(880,280)	(824,484)	(460,688)	(443,464)	-	(443,464)	-	(443,464)	
38	254015	Regulatory Liability Flowback Excess Def. Tax	(423,989)	(423,989)	(368,651)	(492,914)	-	(492,914)	-	(492,914)	
39	254200	Regulatory Liability LT Pension Inc. Tax	(14,367,933)	(14,367,933)	(14,367,933)	(14,442,552)	-	(14,442,552)	-	(14,442,552)	
40	254385	Total Regulatory Liabilities	(42,660,469)	(42,943,980)	(43,168,221)	(43,543,881)	-	(43,543,881)	-	(43,543,881)	
41	282100/282998	DT4053 - Accelerated Depreciation	(159,304,233)	(159,304,233)	(161,337,806)	(156,802,173)	(678,162)	(157,480,335)	-	(157,480,335)	
42	283005	DT4060 - Prepaid Expenses	(285,910)	(285,910)	(278,990)	(285,378)	6,920	(278,458)	-	(278,458)	
43	283440	DT2015 - Pension Plan	(3,136,033)	(3,136,033)	(4,508,257)	(3,586,773)	(804,650)	(4,391,423)	-	(4,391,423)	
44	283440	DT2093 - FAS 109 AEI/DC	(2,959,800)	(2,959,800)	(2,944,996)	(2,965,856)	-	(2,965,856)	-	(2,965,856)	
45	283440	DT3018 - Tax Effect on State NOL	(1,905)	(1,905)	(1,905)	(1,690)	-	(1,690)	1,690	-	
46	283440	DT4055 - FAS 109 Equity AEI/DC	(5,496,821)	(5,496,821)	(5,469,278)	(5,508,019)	-	(5,508,019)	-	(5,508,019)	
47	283440	DT4070 - Regulated Bond Loss	(832,558)	(832,558)	(811,240)	(860,434)	-	(860,434)	-	(860,434)	
48	283440	DT4275 - Unit of Property	(3,051,704)	(3,051,704)	(3,020,086)	(2,859,355)	(18,993)	(2,878,348)	2,878,348	-	
49		Total 282 and 283 Accounts	(175,069,144)	(175,069,144)	(176,372,571)	(172,863,678)	(1,494,865)	(174,358,543)	2,860,038	(171,498,505)	
50		Total Black Hills Power	\$ (1,465,550,926)	\$ (1,466,886,360)	\$ (1,522,203,893)	\$ (1,411,965,577)	\$ 148,581	\$ (1,411,816,996)	\$ (7,925,785)	\$ (1,419,742,781)	
51	28100/282998	Less: Transmission Other Rate Base Reductions	-	-	-	(20,781,266)	(89,878)	(20,871,144)	-	(20,871,144)	
52	283005/283440	Accelerated Depreciation	-	-	-	(2,551,288)	(129,732)	(2,681,020)	-	(2,681,020)	
53	190520/190175/190599	Accumulated Deferred Income Taxes	-	-	-	272,824	4,755,257	5,028,081	-	5,028,081	
54	182390/254015/254012	FAS 109 Adjustment (Gross Up on Excess DIT)	-	-	-	367,995	-	367,995	-	367,995	
55		Subtotal	-	-	-	(18,156,088)	55,214	(18,100,874)	-	(18,100,874)	
56		Total to be included in the Black Hills Power Rate Base	-	-	-	\$ 95,367	\$ (173,660,908)	\$ (7,935,785)	-	\$ (131,566,693)	

BLACK HILLS POWER, INC.
Adjustment to Deferred Taxes - Total Company
For the Pro Forma Test Year Ended September 30, 2013

Line No.	(a) (Stmt D Pg 2) Capital Additions Amount	(b) (Stmt. J) Book Depreciation	(c) 1st Year Tax Depreciation Rate	(d) (a x c) Tax Depreciation	(e) (b - d) Difference	(f) Tax Rate	(g) (c x f) Deferred Tax	
1	CPGS R&D	\$ 7,413,363	\$ 243,900	100.00%	\$ 7,413,363	\$ (7,169,463)	35.00%	\$ (2,509,312)
2	CPGS - 2013 Expenditures	57,433,266	1,889,554	51.88%	29,796,378	(27,906,824)	35.00%	(9,767,388)
3	CPGS - 2014 Expenditures	23,628,242	777,369	3.75%	886,059	(108,690)	35.00%	(38,042)
4	CPGS - 12" Gas Pipeline	3,775,753	124,222	51.88%	1,958,861	(1,834,639)	35.00%	(642,124)
5	Wyodak- 2012/2013 Annualizations	821,000	23,481	51.88%	425,935	(402,454)	35.00%	(140,859)
6	Neil Simpson II - 2012/2013 Annualizations	485,505	14,080	51.88%	251,880	(237,800)	35.00%	(83,230)
7	Wygen III - 2012/2013 Annualizations	1,042,238	27,515	51.88%	540,713	(513,198)	35.00%	(179,619)
8	Other Production - 2012/2013 Annualizations	1,035,919	25,898	51.88%	537,435	(511,537)	35.00%	(179,038)
9	Distribution - 2012/2013 Annualizations	5,203,942	140,506	51.88%	2,699,805	(2,559,299)	35.00%	(895,755)
10	General - 2012/2013 Annualizations	2,523,540	116,588	51.88%	1,309,213	(1,192,625)	35.00%	(417,419)
11	Wyodak- 2014 Additions	1,161,207	33,211	3.75%	43,545	(10,334)	35.00%	(3,617)
12	Neil Simpson II - 2014 Additions	4,656,216	135,030	3.75%	174,608	(39,578)	35.00%	(13,852)
13	Neil Simpson Common - Additions	5,289,145	153,385	3.75%	198,343	(44,958)	35.00%	(15,735)
14	Wygen III - 2014 Additions	2,867,704	75,707	3.75%	107,539	(31,832)	35.00%	(11,141)
15	Other Production - 2014 Additions	1,679,621	41,991	3.75%	62,986	(20,995)	35.00%	(7,348)
16	Distribution - 2014 Additions	21,674,332	585,207	3.75%	812,787	(227,580)	35.00%	(79,653)
17	General - 2014 Additions	4,462,479	206,167	3.75%	167,343	38,824	35.00%	13,588
18	Other Utility - 2014 Additions	1,456,749	111,444	3.75%	54,628	56,816	35.00%	19,886
19	Total	<u>\$ 146,610,221</u>	<u>\$ 4,725,255</u>		<u>\$ 47,441,421</u>	<u>\$ (42,716,166)</u>		<u>(14,950,658)</u>
20								
21	NOL Adjustment							(455,493)
22								
23	Net Adjustment							<u>\$ (15,406,151)</u>
24								
25	Note 1: Line 1 above relates to costs estimated to qualify for current deduction as research and development under IRC Section 174.							
26								
27		Sched J-2	Sched J-2					
28			Book	Depreciation	Tax			
29	<u>Retirements</u>	<u>Amount</u>	<u>Depreciation</u>	<u>Rate</u>	<u>Depreciation</u>	<u>Difference</u>	<u>Tax Rate</u>	<u>Deferred Tax</u>
30	Ben French, Neil Simpson and Osage	\$ (54,932,189)	\$ (51,321,939)	91.271%	\$(50,137,375)	\$ (1,184,564)	35.00%	\$ (414,597)
31								
32	<u>Decommissioning Reg Asset Amort</u>							
33	Ben French, Neil Simpson and Osage							
34	Plant Related		722,050		1,190,973	(468,923)	35.00%	(164,123)
35	Decommissioning Costs		2,177,351		-	2,177,351	35.00%	762,073
36	Total							<u>597,950</u>
37								
38	Net Other Rate Base Reduction Adjustment		Ln. 23 + Ln. 30 + Ln. 36					<u>\$ (15,222,798)</u>

Section N

20:10:13:97. Statement N -- Allocated Cost of Service by Jurisdiction. Statement N shall show for the test period the cost of service allocated to the jurisdictional sales or services for which the increased rates or charges are proposed, including the principal determinants used for allocation purposes. Allocated cost of service per books and per claimed adjustments shall be shown separately. This statement shall show the following for the overall cost of service:

(1) Grouping and allocation of various items of cost and credits to cost of service into functional totals;

(2) Classification of items of cost and credits into demand, energy, customer, or other appropriate categories;

(3) If the filing public utility considers for rate purposes certain special facilities to be devoted entirely to the jurisdictional service involved, it shall show, in addition to the overall cost of service, the cost of service related to the special facilities;

(4) Computations showing the energy responsibilities of the jurisdictional service, based upon consideration of energy sales under the proposed rate schedules and the KWH, MCF or BTU delivered from the filing public utility's supply system;

(5) Estimated peak electric hour or peak gas period and annual energy or system losses applicable to jurisdictional sales expressed as a percentage of system output;

(6) Details of allocation of general or common or joint costs to various functions;

(7) Sufficient detailed breakdown of operation and maintenance expense accounts and taxes to disclose how component items have been classified among energy, class of customer, or other category of cost.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Statement N -- Allocated Cost of Service per Books.
Schedule N-1 -- Allocated Cost of Service as Adjusted.

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

STATEMENT N
Page 1 of 34

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
M 1	SUMMARY AT PRESENT RATES			
M 2				
M 3	DEVELOPMENT OF RETURN			
M 4				
M 5	OPERATING REVENUE	Sched N-1 Reference		
M 6	Sales of Electricity	SCH I, LN 4	162,976,438	146,724,130
M 7	Contract Sales	SCH I, LN 5	52,723,461	47,361,753
M 8	Other Operating Revenue	SCH I, LN 15	33,237,836	10,484,739
M 9	TOTAL OPERATING REVENUE		248,937,735	204,570,622
M 10				
M 11	OPERATING EXPENSES			
M 12	Operation and Maintenance Expense	SCH H, LN 178	154,728,047	133,662,757
M 13	Depreciation Expense	SCH J, LN 28	27,909,862	22,849,093
M 14	Amortization Expense	SCH J, LN 30	97,406	88,874
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	5,359,279	4,134,379
M 16	State Income Tax	SCH K, LN 10	3,403	0
M 17	Federal Income Tax	SCH K, LN 32	14,025,480	10,179,259
M 18	TOTAL OPERATING EXPENSES		202,123,476	170,914,362
M 19				
M 20	OPERATING INCOME (RETURN)		46,814,259	33,656,260
M 21				
M 22				
M 23	DEVELOPMENT OF RATE BASE			
M 24	Electric Plant in Service	SCH D-2, LN 116	1,016,264,827	815,555,892
M 25	Less: Accumulated Depreciation	SCH E, LN 28	357,675,968	293,640,287
M 26	Less: Amortization	SCH E, LN 30	3,156,280	2,835,303
M 27	Plus: Working Capital	SCH F, LN 9	16,814,753	13,019,869
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	141,965,577	112,755,480
M 29				
M 30	TOTAL RATE BASE	SCH F, LN 29	530,281,754	419,344,691
M 31				
M 32				
M 33	RATE OF RETURN (PRESENT)		8.83%	8.03%
M 34				
M 35	INDEX RATE OF RETURN (PRESENT)		1.00	0.91
M 36				
M 37				
M 38				
M 39				
M 40				
M 41				
M 42				
M 43				
M 44				
M 45				
M 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

STATEMENT N
 Page 2 of 34

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 47	EQUALIZED RETURN AT PROPOSED ROR			
M 48				
M 49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)			
M 50				
M 51	RATE BASE		530,281,754	419,344,691
M 52				
M 53	RATE OF RETURN		8.48%	8.48%
M 54				
M 55	RETURN (RATE BASE * ROR)		44,967,893	35,560,430
M 56				
M 57	LESS:			
M 58	OPERATING EXPENSES	<u>Sched N-1 Reference</u>		
M 59	Operation and Maintenance Expense	SCH M, LN 12	154,728,047	133,662,757
M 60	Depreciation Expense	SCH M, LN 13	27,909,862	22,849,093
M 61	Amortization Expense	SCH J, LN 30	97,406	88,874
M 62	Taxes Other Than Income Taxes	SCH M, LN 15	5,359,279	4,134,379
M 63	State Income Tax	CALCULATED	3,403	0
M 64	Federal Income Tax	CALCULATED	13,031,282	11,204,582
M 65	TOTAL OPERATING EXPENSES		201,129,279	171,939,685
M 66				
M 67	EQUALS TOTAL COST OF SERVICE		246,097,171	207,500,114
M 68				
M 69	LESS:			
M 70	OTHER OPERATING REVENUES		85,961,297	57,846,492
M 71				
M 72	EQUALS:			
M 73	PROPOSED SALES OF ELECTRICITY @ EQUALIZED ROR		160,135,874	149,653,623
M 74				
M 75				
M 76	TOTAL COST OF SERVICE INCREASE/(DECREASE)		(2,840,564)	2,929,493
M 77				
M 78	SALES OF ELECTRICITY		160,135,874	149,653,623
M 79	SALES OF ELECTRICITY FOR BASE ENERGY (Direct Assignment		0	0
M 80	TOTAL CURRENT RETAIL REVENUES		160,135,874	149,653,623
M 81				
M 82	REVENUE INCREASE TO RETAIL REVENUES (%)		-1.77%	1.96%
M 83				
M 84				
M 85				
M 86				
M 87				
M 88				
M 89				
M 90				
M 91				
M 92				

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

STATEMENT N
Page 3 of 34

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 93	RETURN AT PROPOSED RATES			
M 94				
M 95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS			
M 96				
M 97	OPERATING REVENUE			
M 98	Sales of Electricity	SCH AF, LN 269	160,135,873	149,653,623
M 99	Contract Revenues	SCH I, LN 5	52,723,461	47,361,753
M 100	Other Operating Revenue	SCH I, LN 15	33,237,836	10,484,739
M 101	TOTAL OPERATING REVENUE		246,097,170	207,500,114
M 102				
M 103	OPERATING EXPENSES			
M 104	Operation and Maintenance Expense	SCH H, LN 178	154,728,047	133,662,757
M 105	Depreciation Expense	SCH J, LN 28	27,909,862	22,849,093
M 106	Amortization Expense	SCH J, LN 30	97,406	88,874
M 107	Taxes Other Than Income Taxes	SCH L, LN 20	5,359,279	4,134,379
M 108	State Income Tax	CALCULATED	3,403	0
M 109	Federal Income Tax	CALCULATED	13,031,282	11,204,582
M 110	TOTAL OPERATING EXPENSES		201,129,279	171,939,685
M 111				
M 112	OPERATING INCOME (RETURN) AT PROPOSED RATES		44,967,891	35,560,430
M 113				
M 114				
M 115	RATE BASE	SCH M, LN 30	530,281,754	419,344,691
M 116				
M 117				
M 118	RATE OF RETURN		8.48%	8.48%
M 119				
M 120	INDEX RATE OF RETURN		1.00	1.00
M 121				
M 122				
M 123	PROPOSED TOTAL REVENUE INCREASE (\$)		(3,569,187)	2,929,493
M 124				
M 125	SALES OF ELECTRICITY		160,135,873	149,653,623
M 126	SALES OF ELECTRICITY FOR BASE ENERGY COSTS		0	0
M 127	TOTAL CURRENT RETAIL REVENUES		160,135,873	149,653,623
M 128				
M 129	REVENUE INCREASE TO RETAIL REVENUES (%)		-2.23%	1.96%
M 130				
M 131				
M 132				
M 133				
M 134				
M 135				
M 136				
M 137				
M 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
D-1	1	DEVELOPMENT OF RATE BASE			
D-1	2				
D-1	3	ELECTRIC PLANT IN SERVICE			
D-1	4				
D-1	5	PRODUCTION PLANT			
D-1	6	Steam Plant			
D-1	7	310-Land & Land Rights	DPROD	333,639	299,710
D-1	8	311-Structures & Improve	DPROD	40,487,096	36,369,764
D-1	9	312-Boiler Plant Equipment	DPROD	239,281,173	214,947,494
D-1	10	313-Engines and Engine Driver Generator	DPROD	341,878	307,111
D-1	11	314-Turbogenerator Units	DPROD	125,463,205	112,704,235
D-1	12	315-Accessory Electric Equipment	DPROD	24,458,357	21,971,066
D-1	13	316-Misc Power Plant Equipment	DPROD	3,856,198	3,464,042
D-1	14	106-Completed Not Classified Production Plant	DPROD	3,628,149	3,259,185
D-1	15	Steam Plant Additions/Retirements	DPROD	0	0
D-1	16	Total Steam Plant		437,849,695	393,322,607
D-1	17				
D-1	18				
D-1	19	Other Production Plant			
D-1	20	340-Land & Land Rights	DPROD	2,705	2,430
D-1	21	341-Structures and Improvements	DPROD	516,826	464,267
D-1	22	342-Fuel Holders, Producers, & Access	DPROD	5,328,853	4,786,936
D-1	23	344-Generators	DPROD	69,138,920	62,107,843
D-1	24	345-Accessory Electric Equipment	DPROD	4,867,260	4,372,284
D-1	25	346-Misc Power Plant Equipment	DPROD	82,868	74,441
D-1	26	106-Completed Not Classified Oth Prod Plt	DPROD	548,895	493,075
D-1	27	Other Prod Plant Additions/Annualization	DPROD	0	0
D-1	28	Total Other Production Plant		80,486,327	72,301,277
D-1	29				
D-1	30	TOTAL PRODUCTION PLANT		518,336,022	465,623,884
D-1	31				
D-1	32				
D-1	33	TRANSMISSION PLANT			
D-1	34	350-Land & Land Rights	DTRAN	5,745,930	189,539
D-1	35	352-Structures & Improvements	DTRAN	1,782,604	58,802
D-1	36	353-Station Equipment	DTRAN	48,927,254	1,613,949
D-1	37	354-Tower and Fixtures	DTRAN	864,826	28,528
D-1	38	355-Poles & Fixtures	DTRAN	28,021,035	924,322
D-1	39	356-Overhead Conductors & Devices	DTRAN	29,422,077	970,537
D-1	40	359-Roads and Trails	DTRAN	6,920	6,295
D-1	41	106-Completed Not Classified Transmission Plt	DTRAN	263,253	0
D-1	42	Transmission Plant Additions/Annualization	DTRAN	0	0
D-1	43	TOTAL TRANSMISSION PLANT		115,033,899	3,791,973
D-1	44				
D-1	45				
D-1	46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
D-1 47	ELECTRIC PLANT IN SERVICE CONTINUED			
D-1 48				
D-1 49	DISTRIBUTION PLANT			
D-1 50	360-Land & Land Rights	Direct Assignment	2,106,585	2,022,060
D-1 51	361-Structures & Improvements	Direct Assignment	708,861	700,802
D-1 52	362-Station Equipment	Direct Assignment	71,650,994	58,163,248
D-1 53	364-Poles, Towers & Fixtures			
D-1 54	Primary - Demand		53,624,432	50,761,939
D-1 55	Secondary - Demand		14,177,353	13,420,561
D-1 56	Total Account 364	Direct Assignment	67,801,785	64,182,500
D-1 57	365-Overhead Conductors & Devices			
D-1 58	Primary - Demand		35,661,461	33,938,217
D-1 59	Secondary - Demand		6,121,153	5,825,365
D-1 60	Total Account 365	Direct Assignment	41,782,614	39,763,582
D-1 61	366-Underground Conduit			
D-1 62	Primary - Demand		2,423,473	2,378,767
D-1 63	Secondary - Demand		1,658,510	1,627,915
D-1 64	Total Account 366	Direct Assignment	4,081,983	4,006,682
D-1 65	367-Underground Conductors & Devices			
D-1 66	Primary - Demand		20,306,834	19,866,165
D-1 67	Secondary - Demand		19,354,951	18,934,938
D-1 68	Total Account 367	Direct Assignment	39,661,786	38,801,103
D-1 69	368-Line Transformers			
D-1 70	Demand		35,013,434	33,679,565
D-1 71	Total Account 368	Direct Assignment	35,013,434	33,679,565
D-1 72	369-Services	Direct Assignment	29,259,736	28,556,304
D-1 73	370-Meters	Direct Assignment	6,989,275	6,690,288
D-1 74	371-Installation on Customer Premises	Direct Assignment	2,177,398	2,091,882
D-1 75	373-Street Lighting & Signal Systems	Direct Assignment	1,726,403	1,650,961
D-1 76	106 - Comp Not Class and Alloc. Additions	DISTPLTXNC	4,234,157	3,943,533
D-1 77	Distribution Plant Additions - Direct Assigned	Direct Assignment	0	0
D-1 78	TOTAL DISTRIBUTION PLANT		307,195,009	284,252,490
D-1 79				
D-1 80				
D-1 81				
D-1 82	TOTAL PROD, TRANS, & DIST PLANT		940,564,930	753,668,347
D-1 83				
D-1 84				
D-1 85				
D-1 86				
D-1 87				
D-1 88				
D-1 89				
D-1 90				
D-1 91				
D-1 92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
D-1	93	ELECTRIC PLANT IN SERVICE CONTINUED			
D-1	94				
D-1	95	GENERAL PLANT			
D-1	96	389-Land and Land Rights	SALWAGES	853,197	679,671
D-1	97	390-Structures and Improvements	SALWAGES	11,778,669	9,383,090
D-1	98	391-Office Furniture & Equipment	SALWAGES	8,175,825	6,513,002
D-1	99	392-Transportation Equipment	SALWAGES	7,686,751	6,123,398
D-1	100	393-Store Equipment	SALWAGES	331,885	264,386
D-1	101	394-Tools, Shop & Garage Equip.	SALWAGES	4,240,319	3,377,911
D-1	102	395-Laboratory Equipment	SALWAGES	366,125	291,661
D-1	103	396-Power Operated Equipment	SALWAGES	834,087	664,448
D-1	104	397-Communication Equipment	SALWAGES	8,173,417	6,511,084
D-1	105	398-Miscellaneous Equipment	SALWAGES	197,046	156,970
D-1	106	Rate Case Expense	SREVSD	0	0
D-1	107	106-Completed Not Classified General Plant	SALWAGES	1,852,886	1,690,576
D-1	108	General Plant Additions/Annualization	SALWAGES	0	0
D-1	109	TOTAL GENERAL PLANT		44,490,207	35,656,198
D-1	110				
D-1	111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	26,339,382	21,856,324
D-1	112				
D-1	113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,870,308	4,375,022
D-1	114				
D-1	115				
D-1	116	TOTAL ELECTRIC PLANT IN SERVICE		1,016,264,827	815,555,892
D-1	117				
D-1	118				
D-1	119				
D-1	120				
D-1	121				
D-1	122				
D-1	123				
D-1	124				
D-1	125				
D-1	126				
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D-1	130				
D-1	131				
D-1	132				
D-1	133				
D-1	134				
D-1	135				
D-1	136				
D-1	137				
D-1	138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
E 1	LESS: ACCUMULATED DEPRECIATION			
E 2				
E 3	PRODUCTION PLANT ACCUM DEPRECIATION	PRODPLT	187,933,374	168,821,505
E 4				
E 5	TRANSMISSION PLANT ACCUM DEPREC	TRANPLT	31,484,205	715,447
E 6				
E 7	DISTRIBUTION PLANT ACCUM DEPRECIATION			
E 8	360-Land & Land Rights	PLT_360	(42,910)	(41,188)
E 9	361-Structures & Improvements	PLT_361	159,696	157,880
E 10	362-Station Equipment	PLT_362	25,117,149	20,603,201
E 11	364-Poles, Towers & Fixtures	PLT_364	24,530,305	23,220,868
E 12	365-Overhead Conductors & Devices	PLT_365	14,036,842	13,358,550
E 13	366-Underground Conduit	PLT_366	500,534	491,301
E 14	367-Underground Conductors & Devices	PLT_367	15,078,398	14,751,188
E 15	368-Line Transformers	PLT_368	12,284,621	11,816,627
E 16	369-Services	PLT_369	9,900,724	9,662,701
E 17	370-Meters	PLT_370	(2,074,770)	(1,986,010)
E 18	371-Installation on Customer Premises	PLT_371	850,997	817,575
E 19	373-Street Lighting & Signal Systems	PLT_373	823,773	787,775
E 20	Accum Dep Adj for WY Distribution Additions	Direct Assignment	0	0
E 21	Unspecified and Accum Dep Adjustment	DISTPLT	0	0
E 22	TOTAL DISTRIBUTION PLANT ACCUM DEPR		101,165,359	93,640,468
E 23				
E 24	GENERAL PLANT ACCUM DEPRECIATION	GENLPLT	19,564,937	15,918,118
E 25				
E 26	OTHER UTILITY ACCUM DEPRECIATION	SALWAGES	17,528,093	14,544,750
E 27				
E 28	TOTAL ACCUMULATED DEPRECIATION		357,675,968	293,640,287
E 29				
E 30	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	3,156,280	2,835,303
E 31				
E 32	NET ELECTRIC PLANT IN SERVICE		655,432,578	519,080,302
E 33				
E 34				
E 35				
E 36				
E 37				
E 38				
E 39				
E 40				
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E 43				
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E 45				
E 46				

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE			
F 2				
F 3	PLUS: ADDITIONS TO RATE BASE			
F 4	WORKING CAPITAL			
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,213,845)	(5,144,343)
F 6	Fuel Inventory	ENEFUEL	5,987,526	5,247,278
F 7	Materials and Supplies	TOTPLT	15,098,699	12,417,940
F 8	Prepayments	OMXFPP	942,373	498,993
F 9	TOTAL WORKING CAPITAL		16,814,753	13,019,869
F 10				
F 11	LESS: DEDUCTIONS TO RATE BASE			
F 12	Customer Advances for Construction	CUSTADV	1,189,781	1,165,985
F 13	Regulatory Assets - S&W Related	SALWAGES	(27,598,836)	(25,181,213)
F 14	Regulatory Assets - Plant Related	TOTPLT	(16,643,460)	(10,490,477)
F 15	Regulatory Assets - Decommissioning	PRODPLT	0	0
F 16	Regulatory Assets - Storm Atlas	Direct Assignment	0	0
F 17	Regulatory Liabilities - S&W Related	SALWAGES	42,807,503	39,057,621
F 18	Regulatory Liabilities - Plant Related	TOTPLT	736,378	670,557
F 19	Deferred Income Taxes and Credits			
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(7,696,253)	(7,008,326)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(23,433,375)	(21,380,641)
F 22	Deferred Income Tax - Customer (Debit)	CUST	(259,839)	(249,746)
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	169,282,905	132,904,619
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	3,580,773	3,267,102
F 25	Total Deferred Income Taxes and Credits		141,474,211	107,533,008
F 26	TOTAL DEDUCTIONS TO RATE BASE		141,965,577	112,755,480
F 27				
F 28				
F 29	TOTAL RATE BASE		530,281,754	419,344,691
F 30				
F 31				
F 32				
F 33				
F 34				
F 35				
F 36				
F 37				
F 38				
F 39				
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BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
F-3 1	CASH WORKING CAPITAL (LEAD LAG)			
F-3 2				
F-3 3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL			
F-3 4	Purchased Fuel (Coal, Gas, & Oil)	ENEFUEL	51,884	45,469
F-3 5	Coal Transportation	ENEFUEL	0	0
F-3 6	Natural Gas - Other Production	ENEFUEL	7,188	6,299
F-3 7	Purchased Power	OX_555	125,178	110,134
F-3 8	Transmission	TRANPLT	51,348	46,712
F-3 9	Labor	SALWAGES	33,019	30,127
F-3 10	Employee Benefits	SALWAGES	49	45
F-3 11	Service Company Charges	SALWAGES	89,243	81,425
F-3 12	Other O&M	OMXFPP	55,980	51,108
F-3 13	Wyodak Power Plant O&M	PRODPLT	10,025	9,006
F-3 14	TOTAL O&M		423,914	380,326
F-3 15				
F-3 16	TAXES OTHER THAN INCOME TAXES			
F-3 17	Property Taxes	TOTPLT	13,815	12,580
F-3 18	Unemployment Taxes (FUTA & SUTA)	SALWAGES	277	253
F-3 19	Montana Electric Energy	SREVMT	43	0
F-3 20	Wyoming Franchise Tax	SREVWY	176	0
F-3 21	South Dakota PUC	SREVSD	580	580
F-3 22	Wyoming PSC	SREVWY	(16)	0
F-3 23	FICA Taxes - Employer's	SALWAGES	8,239	7,517
F-3 24	TOTAL TAXES OTHER THAN INCOME TAXES		23,114	20,930
F-3 25				
F-3 26	Depreciation Expense	TOTPLT	76,465	131,271
F-3 27	Amortization Expense	PRODPLT	267	240
F-3 28	TOTAL DEPRECIATION/AMORTIZATION		76,732	131,511
F-3 29				
F-3 30	FEDERAL INCOME TAXES	CLAIMREV	41,134	36,942
F-3 31				
F-3 32	INTEREST EXPENSE	TOTPLT	48,592	44,249
F-3 33				
F-3 34	GRAND TOTAL		613,486	613,957
F-3 35				
F-3 36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)		(4,036,738)	(4,039,837)
F-3 37				
F-3 38	LESS: TAX COLLECTIONS AVAILABLE		(1,177,107)	(1,104,506)
F-3 39				
F-3 40	NET CASH WORKING CAPITAL REQUIREMENT		(5,213,845)	(5,144,343)
F-3 41				
F-3 42				
F-3 43				
F-3 44				
F-3 45				
F-3 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F-3 1				
F-3 2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED			
F-3 3				
F-3 4	<u>LAG/LEAD DAYS</u>			
F-3 5	REVENUE LAG DAYS		33.98	
F-3 6	EXPENSE LEAD DAYS		40.56	
F-3 7	NET DAYS		(6.58)	
F-3 8				
F-3 9	TAX COLLECTIONS AVAILABLE			
F-3 10	FICA Taxes (Employee Contribution)	SALWAGES	(71,445)	(65,187)
F-3 11	Federal Withholding Tax	SALWAGES	(139,530)	(127,307)
F-3 12	South Dakota Sales and Use Tax	SREVSD	(912,012)	(912,012)
F-3 13	Wyoming Sales and Use Tax	SREVWY	(54,120)	0
F-3 14	TOTAL TAX COLLECTIONS AVAILABLE		(1,177,107)	(1,104,506)
F-3 15				
F-3 16				
F-3 17				
F-3 18				
F-3 19				
F-3 20				
F-3 21				
F-3 22				
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BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
1	OPERATING REVENUES			
2				
3	SALES REVENUES			
4	Sales of Electricity Revenues		162,976,438	146,724,130
5	Contract Revenues	DPROD	52,723,461	47,361,753
6	TOTAL SALES OF ELECTRICITY		215,699,899	194,085,883
7				
8	OTHER OPERATING REVENUES			
9	Unbilled, Provision for Rate Refunds and Cost Adj.	Direct Assignment	5,614,073	5,614,073
10	Demand Side Management Revenue	Direct Assignment	(968,002)	(968,002)
11	450-Forfeited Discounts	Direct Assignment	267,907	258,273
12	451-Miscellaneous Service Revenues	Direct Assignment	462,921	455,894
13	454-Rent from Electric Property	TDPLT	5,503,881	5,124,501
14	456-Other Electric Revenues - Transmission	TRANPLT	22,357,056	0
15	TOTAL OTHER OPERATING REV		33,237,836	10,484,739
16				
17	TOTAL OPERATING REVENUES		248,937,735	204,570,622
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BLACK HILLS POWER, INC.
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FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
H 1				
H 2	OPERATION & MAINTENANCE EXPENSE			
H 3				
H 4				
H 5	PRODUCTION EXPENSE			
H 6				
H 7	Steam Production Operation			
H 8	500-Supervision & Engineering	SALWAGPO	1,842,155	1,625,149
H 9	501-Fuel	ENEFUEL	20,361,129	17,843,849
H 10	502-Steam Expense	DPROD	2,806,144	2,520,773
H 11	505-Electric Expense	DPROD	1,308,594	1,175,517
H 12	506-Miscellaneous Steam Power Expense	DPROD	894,759	803,766
H 13	507-Rent	DPROD	2,405,734	2,161,083
H 14	509-Allowances	DPROD	0	0
H 15	Total Steam Production Operation		29,618,514	26,130,138
H 16				
H 17	Steam Production Maintenance			
H 18	510-Supervision & Engineering	SALWAGPM	1,454,714	1,306,777
H 19	511-Maintenance of Structures	DPROD	820,283	736,865
H 20	512-Maintenance of Boilers	DPROD	3,555,970	3,194,346
H 21	513-Maintenance of Electric Plant	DPROD	787,972	707,840
H 22	514-Maintenance of Miscellaneous Steam Plant	DPROD	154,760	139,021
H 23	Total Steam Production Maintenance		6,773,700	6,084,849
H 24				
H 25	Total Steam Production Expense		36,392,214	32,214,986
H 26				
H 27	Other Production Operation			
H 28	546-Operation Supervision and Engineering	SALWAGPO	251,045	221,472
H 29	547-Fuel	ENEFUEL	2,623,531	2,299,180
H 30	548-Generation Expense	DPROD	541,835	486,733
H 31	549-Miscellaneous Other Power Generation	DPROD	138,273	124,211
H 32	550-Rents	DPROD	227,411	204,265
H 33	Total Other Production Operation		3,782,095	3,335,881
H 34				
H 35	Other Production Maintenance			
H 36	551-Supervision & Engineering	SALWAGPM	198,959	178,726
H 37	552-Structures	DPROD	7,229	6,494
H 38	553-Maintenance of Generating and Electric Plant	DPROD	1,068,053	959,437
H 39	554-Maintenance of Miscellaneous Other Power	DPROD	89,367	80,278
H 40	556-System Control and Load Dispatching	DPROD	1,409,474	1,266,138
H 41	557-Other Expenses	DPROD	2,000	1,797
H 42	Total Other Production Maintenance		2,775,081	2,492,869
H 43				
H 44	Total Other Production Expense		6,557,176	5,828,750
H 45				
H 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
H	47	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H	48				
H	49				
H	50	PRODUCTION EXPENSE (CONT.)			
H	51				
H	52	Other Power Supply			
H	53	555 - Purchased Power - Energy	ENERGY1	38,497,099	33,737,640
H	54	555 - Purchased Power - Capacity	DPROD	7,192,960	6,461,473
H	55	Total Other Power Supply		45,690,059	40,199,113
H	56				
H	57	TOTAL PRODUCTION EXPENSE		88,639,450	78,242,849
H	58				
H	59				
H	60	TRANSMISSION EXPENSES			
H	61				
H	62	Operation			
H	63	560-Supervision & Engineering	SALWAGTO	746,053	70,693
H	64	561-Load Dispatch	TRANPLT	2,203,505	0
H	65	562-Station Equipment	TRANPLT	280,360	0
H	66	563-Overhead Lines	TRANPLT	80,121	17,212
H	67	565-Transmission of Electricity by Others	TRANPLT	18,741,890	17,049,706
H	68	566-Miscellaneous	TRANPLT	131,053	28,154
H	69	567-Rents	TRANPLT	0	0
H	70	Total Transmission Operation		22,182,983	17,165,765
H	71				
H	72	Maintenance			
H	73	568-Maintenance Supervision & Engineering	SALWAGTM	55	50
H	74	569-Maintenance of Structures	TRANPLT	0	0
H	75	570-Maintenance of Station Equipment	TRANPLT	143,595	25,658
H	76	571-Maintenance of Overhead Lines	TRANPLT	76,749	16,488
H	77	572-Maintenance of Underground Lines	TRANPLT	0	0
H	78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,108	1,008
H	79	Total Transmission Maintenance		221,506	43,204
H	80				
H	81	TOTAL TRANSMISSION EXPENSE		22,404,489	17,208,970
H	82				
H	83				
H	84				
H	85				
H	86				
H	87				
H	88				
H	89				
H	90				
H	91				
H	92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 93	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 94				
H 95				
H 96	DISTRIBUTION EXPENSES			
H 97	Operation			
H 98	580-Supervision	SALWAGDO	1,411,833	1,317,256
H 99	581-Load Dispatch	DISTPLT	296,825	276,452
H 100	582-Station Equipment	PLT_362	449,127	375,020
H 101	583-Overhead Lines	OHDIST	486,016	461,010
H 102	584-Underground Lines	UGDIST	305,099	298,571
H 103	585-Street Lighting	PLT_3713	1	1
H 104	586-Metering	CMETERS	786,540	756,867
H 105	587-Customer Installations	CMETERS	22,761	21,902
H 106	588-Miscellaneous	DISTPLT	366,951	341,764
H 107	589-Rents	DISTPLT	17,727	16,510
H 108	Total Distribution Operation		4,142,880	3,865,353
H 109				
H 110	Maintenance			
H 111	590-Supervision	SALWAGDM	1,250	1,179
H 112	591-Structures	DISTPLT	0	0
H 113	592-Station Equipment	PLT_362	287,790	240,304
H 114	593-Overhead Lines	OHDIST	3,459,372	3,281,381
H 115	594-Underground Lines	UGDIST	234,388	229,373
H 116	595-Transformers	PLT_368	47,646	45,831
H 117	596-Street Lighting	PLT_3713	56,846	54,502
H 118	597-Metering	CMETERS	69,156	66,547
H 119	598-Miscellaneous	DISTPLT	94,932	88,416
H 120	Total Distribution Maintenance		4,251,379	4,007,532
H 121				
H 122	TOTAL DISTRIBUTION EXPENSES		8,394,259	7,872,884
H 123				
H 124	TOTAL OPER & MAINT EXP (PROD,TRAN,& DIST)		119,438,198	103,324,704
H 125				
H 126				
H 127				
H 128				
H 129				
H 130				
H 131				
H 132				
H 133				
H 134				
H 135				
H 136				
H 137				
H 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 139	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 140				
H 141				
H 142	CUSTOMER ACCOUNTS EXPENSES			
H 143	901-Supervision	SALWAGCA	54,121	52,082
H 144	902-Meter Reading	CMETRDG	19,927	19,153
H 145	903-Customer Records and Collection Expense	CUSTREC	1,589,608	1,527,862
H 146	904-Uncollectible Accounts	EXP_904	440,879	426,884
H 147	905-Miscellaneous CA	CUSTCAM	603,770	580,318
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,708,305	2,606,300
H 149				
H 150				
H 151	CUSTOMER SERVICE EXPENSES			
H 152	907-Supervision	SALWAGCS	204,020	196,095
H 153	908-Customer Assistance	CUSTASST	1,169,153	1,123,739
H 154	909-Advertisement	CUSTADVT	12,439	11,956
H 155	910-Miscellaneous CS	CUSTCSM	70,687	67,942
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,456,300	1,399,732
H 157				
H 158	SALES EXPENSES TOTAL	SALESREV	30,308	27,285
H 159				
H 160	TOTAL OPER & MAINT EXCL A&G		123,633,111	107,358,021
H 161				
H 162	ADMINISTRATIVE & GENERAL EXPENSE			
H 163	920-Administrative Salaries	SALWAGES	17,764,852	14,150,445
H 164	921-Office Supplies & Expense	SALWAGES	3,390,683	3,093,663
H 165	922-A&G Expense Transferred	SALWAGES	(43,983)	(40,130)
H 166	923-Outside Services	SALWAGES	2,478,226	2,261,137
H 167	xxx-Rate Case Expenses	SREVSD	0	0
H 168	924-Property Insurance	TOTPLT	797,583	726,291
H 169	925-Injuries and Damages	SALWAGES	2,599,153	2,371,470
H 170	926-Pensions & Benefits	SALWAGES	214,670	195,865
H 171	928-Regulatory Commission	SALESREV	550,134	495,274
H 172	930.1-General Advertising	SALWAGES	253,269	231,083
H 173	930.2-Miscellaneous General	SALWAGES	1,244,344	1,135,341
H 174	931-Rents	GENLPLT	562,807	513,506
H 175	932-Maintenance of General Plant	GENLPLT	1,283,197	1,170,790
H 176	TOTAL A&G EXPENSE		31,094,936	26,304,736
H 177				
H 178	TOTAL OPERATION & MAINTENANCE EXPENSES		154,728,047	133,662,757
H 179				
H 180				
H 181				
H 182				
H 183				
H 184				

BLACK HILLS POWER, INC.
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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
J	1	DEPRECIATION/AMORTIZATION EXPENSE			
J	2				
J	3	PRODUCTION PLANT EXPENSE	PRODPLT	13,386,388	12,025,060
J	4				
J	5	TRANSMISSION PLANT EXPENSE	TRANPLT	2,396,230	18,673
J	6				
J	7	DISTRIBUTION PLANT EXPENSE			
J	8	360-Land & Land Rights	PLT_360	0	0
J	9	361-Structures & Improvements	PLT_361	19,577	19,355
J	10	362-Station Equipment	PLT_362	1,978,857	1,490,658
J	11	364-Poles, Towers & Fixtures	PLT_364	1,872,550	1,772,592
J	12	365-Overhead Conductors & Devices	PLT_365	1,153,952	1,098,191
J	13	366-Underground Conduit	PLT_366	112,736	110,657
J	14	367-Underground Conductors & Devices	PLT_367	1,095,379	1,071,609
J	15	368-Line Transformers	PLT_368	967,001	930,162
J	16	369-Services	PLT_369	808,095	788,668
J	17	370-Meters	PLT_370	193,030	184,772
J	18	371-Installation on Customer Premises	PLT_371	60,135	57,774
J	19	373-Street Lighting & Signal Systems	PLT_373	47,680	45,596
J	20	Dep Adj for SD Distribution Additions	Direct Assignment	0	0
J	21	Distribution Plant Annualization	DISTPLT	116,939	108,913
J	22	TOTAL DISTRIBUTION PLANT EXPENSE		8,425,932	7,678,946
J	23				
J	24	GENERAL PLANT EXPENSE	GENLPLT	1,701,148	1,301,463
J	25				
J	26	OTHER UTILITY DEPRECIATION EXPENSE	SALWAGES	2,000,163	1,824,951
J	27				
J	28	TOTAL DEPRECIATION EXPENSE		27,909,862	22,849,093
J	29				
J	30	PLANT ACQUISITION ADJUSTMENT	SALWAGES	97,406	88,874
J	31				
J	32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE		28,007,268	22,937,967
J	33				
J	34				
J	35				
J	36				
J	37				
J	38				
J	39				
J	40				
J	41				
J	42				
J	43				
J	44				
J	45				
J	46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
L 1	OTHER OPERATING EXPENSES			
L 2				
L 3	TAXES OTHER THAN INCOME TAXES			
L 4	Federal Taxes			
L 5	FICA Tax	SALWAGES	3,007,210	2,594,431
L 6	Unemployment Tax	SALWAGES	20,987	19,149
L 7				
L 8	State Taxes			
L 9	Unemployment Tax	SALWAGES	80,114	73,096
L 10	Montana Electric Energy Tax	SREVMT	15,777	0
L 11	Wyoming Franchise Taxes	SREVVY	64,059	0
L 12	South Dakota PUC Tax	SREVSD	211,595	211,595
L 13	Wyoming Sales Tax	SREVVY	(5,843)	0
L 14				
L 15	Local Taxes			
L 16	Property	TOTPLT	5,042,451	4,043,632
L 17				
L 18	TOIT - Payroll Loading & Other	SALWAGES	(3,077,071)	(2,807,524)
L 19				
L 20	TOTAL TAXES OTHER THAN INCOME		5,359,279	4,134,379
L 21				
L 22				
L 23				
L 24				
L 25				
L 26				
L 27				
L 28				
L 29				
L 30				
L 31				
L 32				
L 33				
L 34				
L 35				
L 36				
L 37				
L 38				
L 39				
L 40				
L 41				
L 42				
L 43				
L 44				
L 45				
L 46				

BLACK HILLS POWER, INC.
PER BOOK COST OF SERVICE BY JURISDICTION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
K 1	DEVELOPMENT OF INCOME TAXES			
K 2				
K 3	TOTAL OPERATING REVENUES	SCH I, LN 17	248,937,735	204,570,622
K 4				
K 5	LESS:			
K 6	OPERATION & MAINTAINENCE EXPENSE	SCH H, LN 178	154,728,047	133,662,757
K 7	DEPRECIATION EXPENSE	SCH J, LN 28	27,909,862	22,849,093
K 8	AMORTIZATION EXPENSE	SCH J, LN 30	97,406	88,874
K 9	TAXES OTHER THAN INCOME TAXES	SCH L, LN 20	5,359,279	4,134,379
K 10	MT STATE INCOME TAXES	SREVMT	3,403	0
K 11				
K 12	NET OPERATING INCOME BEFORE TAXES		60,839,739	43,835,519
K 13	AFUDC	TOTPLT	3,931,226	3,579,834
K 14	Interest Expense (Rate Base * Wtd Cost of Debt)		(22,233,936)	(17,582,508)
K 15	Subtotal		42,537,028	29,832,845
K 16				
K 17	Tax Adjustments:			
K 18	Permanent - Salaries & Wages	SALWAGES	(926,840)	(845,650)
K 19	Permanent - Plant	TOTPLTCUS	240,822	193,260
K 20	Temporary - Salaries & Wages	SALWAGES	(2,900,706)	(2,646,608)
K 21	Temporary - Plant	TOTPLTCUS	(28,664,119)	(23,003,050)
K 22	Temporary - Customer	CUST	(486,460)	(467,564)
K 23	Temporary - Other	CLAIMREV	18,057,286	16,217,154
K 24	Total Adjustments		(14,680,017)	(10,552,458)
K 25				
K 26	TAXABLE INCOME (NOL)		27,857,011	19,280,387
K 27				
K 28	Federal Income Tax @ 35%		9,749,955	6,748,135
K 29				
K 30	Other Tax Adjustments	TOTPLTCUS	4,275,526	3,431,123
K 31				
K 32	TOTAL FEDERAL INCOME TAX		14,025,481	10,179,258
K 33				
K 34	TOTAL INCOME TAXES		14,028,884	10,179,258
K 35				
K 36				
K 37				
K 38				
K 39				
K 40				
K 41				
K 42				
K 43				
K 44				
K 45				
K 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
K 47				
K 48				
K 49				
K 50				
K 51				
K 52	TAX RATES			
K 53	STATE TAX RATE		0.00%	
K 54	FEDERAL TAX RATE - CURRENT		35.00%	
K 55				
K 56				
K 57				
K 58				
K 59	WEIGHTED COST OF DEBT	CALCULATED	4.19%	
K 60				
K 61				
K 62				
K 63				
K 64				
K 65				
K 66				
K 67				
K 68				
K 69				
K 70				
K 71				
K 72				
K 73				
K 74				
K 75				
K 76				
K 77				
K 78				
K 79				
K 80				
K 81				
K 82				
K 83				
K 84				
K 85				
K 86				
K 87				
K 88				
K 89				
K 90				
K 91				
K 92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H-1 1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR			
H-1 2				
H-1 3	PRODUCTION SALARIES & WAGES EXPENSE			
H-1 4	Operation	OX_PROD	3,390,256	2,990,884
H-1 5	Maintenance	MX_PROD	1,987,262	1,785,168
H-1 6	TOTAL PRODUCTION		5,377,518	4,776,051
H-1 7				
H-1 8	TRANSMISSION SALARIES & WAGES EXPENSE			
H-1 9	Operation	OX_TRAN	230,062	209,290
H-1 10	Maintenance	MX_TRAN	54,057	49,176
H-1 11	TOTAL TRANSMISSION		284,119	258,466
H-1 12				
H-1 13	DISTRIBUTION SALARIES & WAGES EXPENSE			
H-1 14	Operation	OX_DIST	1,651,448	1,540,819
H-1 15	Maintenance	MX_DIST	865,927	816,260
H-1 16	TOTAL DISTRIBUTION		2,517,375	2,357,079
H-1 17				
H-1 18	CUSTOMER ACCOUNTS SAL & WAGES EXP	OX_CA	721,065	693,907
H-1 19				
H-1 20	CUSTOMER SERVICE SAL & WAGES EXP	OX_CS	716,804	688,769
H-1 21				
H-1 22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP			
H-1 23	Operation	SALWAGXAG	376,820	343,811
H-1 24	Maintenance	SALWAGXAG	13,017	11,877
H-1 25	TOTAL ADMINISTRATIVE & GENERAL		389,837	355,688
H-1 26				
H-1 27	TOT OPER & MAINTENANCE SALARIES & WAGES		10,006,518	9,129,960
H-1 28				
H-1 29				
H-1 30				
H-1 31				
H-1 32				
H-1 33				
H-1 34				
H-1 35				
H-1 36				
H-1 37				
H-1 38				
H-1 39				
H-1 40				
H-1 41				
H-1 42				
H-1 43				
H-1 44				
H-1 45				
H-1 46				

BLACK HILLS POWER, INC.
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 1	ALLOCATION FACTOR TABLE			
AF 2	<u>DEMAND</u>			
AF 3				
AF 4	<u>DEMAND - PRODUCTION RELATED</u>			
AF 5	Demand Production (12 CP)	DPROD	263.73	236.91
AF 6				
AF 7				
AF 8				
AF 9	<u>DEMAND - TRANSMISSION RELATED</u>			
AF 10	Demand Transmission (NCP)	DTRAN	335.47	305.18
AF 11				
AF 12				
AF 13				
AF 14				
AF 15				
AF 16				
AF 17				
AF 18				
AF 19				
AF 20	<u>DEMAND - DISTRIBUTION RELATED (NCP)</u>			
AF 21	Demand Distribution Primary Substation	DDISPSUB	335.472	305.18
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	335.472	305.18
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	335.472	305.18
AF 24				
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	335.472	305.18
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	335.472	305.18
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	335.472	305.18
AF 28	Demand Distribution Undergrmd Line Transformers	DDISTSUT	335.472	305.18
AF 29				
AF 30				
AF 31				
AF 32				
AF 33				
AF 34				
AF 35				
AF 36				
AF 37				
AF 38				
AF 39				
AF 40				
AF 41				
AF 42				
AF 43				
AF 44				
AF 45				
AF 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 47	ALLOCATION FACTOR TABLE CONTINUED			
AF 48				
AF 49	ENERGY			
AF 50	Energy @ Generation with losses (kWh)	ENEFUEL	1,832,552	1,605,990
AF 51	Energy @ Generation with losses(kWh)	ENERGY1	1,832,552	1,605,990
AF 52	Energy @ Meter (kWh Sales)	ENERGY2	1,696,490	1,483,798
AF 53				
AF 51				
AF 55				
AF 56				
AF 57				
AF 58				
AF 59				
AF 60				
AF 61	CUSTOMER			
AF 62				
AF 63	Customer Dist. Primary Substation	CDISPSUB	69,664	66,958
AF 64	Customer Dist. Primary Overhead Lines	CDISTPOL	69,664	66,958
AF 65	Customer Dist. Primary Underground Lines	CDISTPUL	69,664	66,958
AF 66				
AF 67				
AF 68				
AF 69				
AF 70				
AF 71				
AF 72	369-Services	CSERVICE	335,472	305,182
AF 73	370-Meters	CMETERS	15,938,218	15,336,942
AF 74				
AF 75	902-Meter Reading	CMETRDG	835,968	803,496
AF 76	903-Customer Records and Collections	CUSTREC	835,968	803,496
AF 77	905-Miscellaneous Customer Accounts	CUSTCAM	69,664	66,958
AF 78	908-Customer Assistance	CUSTASST	69,664	66,958
AF 79	909-Advertisement	CUSTADVT	69,664	66,958
AF 80	910-Miscellaneous Customer Service	CUSTCSM	69,664	66,958
AF 81				
AF 82				
AF 83				
AF 84	371-Installation on Customer Premises	CUSTPREM	2,799	2,622
AF 85	373-Street Lighting & Signal Systems	CLIGHT	202	198
AF 86				
AF 87	Number of Bills	CUSTBILLS	835,968	803,496
AF 88	Number of Customers	CUST	69,664	66,958
AF 89				
AF 90				
AF 91				
AF 92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 93	ALLOCATION FACTOR TABLE CONTINUED			
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AF 95				
AF 96	Plant			
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	827,705,173	753,668,347
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	300,966,668	280,308,957
AF 98	Rate Base	RATEBASE	460,378,679	419,344,691
AF 100	Total Electric Plant In Service	TOTPLT	895,609,722	815,555,892
AF 101	Production Plant In Service	PRODPLT	518,336,022	465,623,884
AF 102	Transmission Plant in Service	TRANPLT	4,168,326	3,791,973
AF 103	Distribution Plant in Service	DISTPLT	305,200,825	284,252,490
AF 104	Total Transmission and Distribution Plant	TDPLT	309,369,151	288,044,463
AF 105	General Plant in Service	GENLPLT	39,079,513	35,656,198
AF 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1,016,264,827	815,555,892
AF 107	Account 360	PLT_360	2,106,585	2,022,060
AF 108	Account 361	PLT_361	708,861	700,802
AF 109	Account 362	PLT_362	69,656,810	58,163,248
AF 110	Account 364	PLT_364	67,801,785	64,182,500
AF 111	Account 365	PLT_365	41,782,614	39,763,582
AF 112	Account 366	PLT_366	4,081,983	4,006,662
AF 113	Account 367	PLT_367	39,661,786	38,801,103
AF 114	Account 368	PLT_368	35,013,434	33,679,565
AF 115	Account 369	PLT_369	29,259,736	28,556,304
AF 116	Account 370	PLT_370	6,989,275	6,690,268
AF 117	Account 371	PLT_371	2,177,398	2,091,882
AF 118	Account 373	PLT_373	1,726,403	1,650,961
AF 119	Distribution Overhead Plant in Service	OHDIST	109,584,399	103,946,082
AF 120	Distribution Underground Plant in Service	UGDIST	43,743,768	42,807,785
AF 121	Account 371&373	PLT_3713	3,903,800	3,742,843
AF 122				
AF 123	South Dakota	DPLTSD	280,308,957	280,308,957
AF 124	Wyoming	DPLTWY	19,305,136	0
AF 125	Montana	DPLTMT	1,352,575	0
AF 126				
AF 127				
AF 128				
AF 129				
AF 130				
AF 131				
AF 132				
AF 133				
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	80,279,653	73,293,330
AF 135	Supervised O&M Expense excluding CUS	OMXFPPPT	32,711,246	29,949,663
AF 136				
AF 137				
AF 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 139	ALLOCATION FACTOR TABLE CONTINUED			
AF 140	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AF 141	Production Expense			
AF 142	Account 500	OX_500	1,842,155	1,625,149
AF 143	Account 501	OX_501	20,361,129	17,843,849
AF 144	Account 502	OX_502	2,806,144	2,520,773
AF 145	Account 505	OX_505	1,308,594	1,175,517
AF 146	Account 506	OX_506	894,759	803,766
AF 147	Account 510	MX_510	1,454,714	1,308,777
AF 148	Account 511	MX_511	820,283	738,865
AF 149	Account 512	MX_512	3,555,970	3,194,346
AF 150	Account 513	MX_513	787,972	707,840
AF 151	Account 514	MX_514	154,760	139,021
AF 152	Account 546	OX_546	251,045	221,472
AF 153	Account 547	OX_547	2,623,531	2,299,180
AF 154	Account 548	OX_548	541,835	486,733
AF 155	Account 549	OX_549	138,273	124,211
AF 156	Account 551	MX_551	198,959	178,726
AF 157	Account 552	MX_552	7,229	6,494
AF 158	Account 553	MX_553	1,068,053	959,437
AF 159	Account 554	MX_554	89,367	80,278
AF 160	Account 556	OX_556	1,411,474	1,267,934
AF 161	Account 555	OX_555	45,690,059	40,199,113
AF 162	Account 557	OX_557	0	0
AF 163	O&M Expense Production Operation	OX_PROD	31,307,409	27,619,397
AF 164	O&M Expense Production Maintenance	MX_PROD	7,895,108	7,092,216
AF 165	Salaries and Wages Production Operation	SALWAGPO	3,390,256	2,990,884
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	1,987,262	1,785,168
AF 167	Transmission Expense			
AF 168	Account 560	OX_560	77,709	70,693
AF 169	Account 561	OX_561	0	0
AF 170	Account 562	OX_562	0	0
AF 171	Account 563	OX_563	18,920	17,212
AF 172	Account 565	OX_565	18,741,890	17,049,706
AF 173	Account 566	OX_566	30,948	28,154
AF 174	Account 567	OX_567	0	0
AF 175	Account 568	MX_568	55	50
AF 176	Account 569	MX_569	0	0
AF 177	Account 570	MX_570	28,205	25,658
AF 178	Account 571	MX_571	18,125	16,488
AF 179	Account 573	MX_573	1,108	1,008
AF 180	O&M Accounts 561-567	OX_TRAN	18,791,759	17,095,072
AF 181	O&M Accounts 569-573	MX_TRAN	47,437	43,154
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	230,062	209,290
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	54,057	49,176
AF 184				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 185	ALLOCATION FACTOR TABLE CONTINUED			
AF 186	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AF 187	Distribution Expense			
AF 188	Account 580	OX_580	1,411,833	1,317,256
AF 189	Account 581	OX_581	296,825	276,452
AF 190	Account 582	OX_582	449,127	375,020
AF 191	Account 583	OX_583	486,016	461,010
AF 192	Account 584	OX_584	305,099	298,571
AF 193	Account 585	OX_585	1	1
AF 194	Account 586	OX_586	786,540	756,867
AF 195	Account 587	OX_587	22,761	21,902
AF 196	Account 588	OX_588	366,951	341,764
AF 197	Account 589	OX_589	17,727	16,510
AF 198	Account 590	MX_590	1,250	1,179
AF 199	Account 592	MX_592	287,790	240,304
AF 200	Account 593	MX_593	3,459,372	3,281,381
AF 201	Account 594	MX_594	234,388	229,373
AF 202	Account 595	MX_595	47,646	45,831
AF 203	Account 596	MX_596	56,846	54,502
AF 204	Account 597	MX_597	69,156	66,547
AF 205	Account 598	MX_598	94,932	88,416
AF 206	O&M Accounts 581-589	OX_DIST	2,731,047	2,548,097
AF 207	O&M Accounts 591-598	MX_DIST	4,250,129	4,006,353
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,651,448	1,540,819
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	865,927	816,260
AF 210				
AF 211	Account 902	OX_902	19,927	19,153
AF 212	Account 903	OX_903	1,589,608	1,527,862
AF 213	Account 904	OX_904	440,879	426,884
AF 214	O&M Accounts 902-905	OX_CA	2,654,185	2,554,217
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	721,065	693,907
AF 216				
AF 217	Account908	OX_908	1,169,153	1,123,739
AF 218	Account909	OX_909	12,439	11,956
AF 219	Account910	OX_910	70,687	67,942
AF 220	O&M Accounts 908-910	OX_CS	1,252,280	1,203,637
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	716,604	688,769
AF 222				
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	9,616,681	8,774,272
AF 224	Total Salaries and Wages Expense	SALWAGES	10,006,518	9,129,960
AF 225				
AF 226				
AF 227				
AF 228				
AF 229				
AF 230				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
AF	231	REVENUES AND BILLING DETERMINANTS			
AF	232				
AF	233	Base Rate Sales Revenue	SALESREV	162,976,438	146,724,130
AF	234	South Dakota	SREVSD	146,724,130	146,724,130
AF	235	Wyoming	SREVWY	13,264,644	0
AF	236	Montana	SREVMT	2,987,664	0
AF	237				
AF	238				
AF	239				
AF	240	Claimed Rate Sales Revenue	CLAIMREV	166,634,553	149,653,623
AF	241				
AF	242				
AF	243				
AF	244				
AF	245				
AF	246	<u>PRESENT REVENUES FROM SALES INPUT</u>			
AF	247				
AF	248	Total Sales of Electricity Revenues		162,976,438	146,724,130
AF	249				
AF	250	Sales of Electricity Revenues		162,976,438	146,724,130
AF	251				
AF	252				
AF	253				
AF	254	<u>BILLING DETERMINATE INPUTS</u>			
AF	255	Number of Customer Bills	SCH AF, LN 87	835,968	803,496
AF	256	Annual kWh Sales @ Meter	SCH AF, LN 52	1,696,490	1,483,798
AF	257	Annual kW - Billed		0	-
AF	258				
AF	259				
AF	260				
AF	261	<u>RATE OF RETURN</u>			
AF	262	Rate of Return (Equalized)	SCH AF, LN 262	8.48%	8.48%
AF	263				
AF	264				
AF	265				
AF	266	<u>PROPOSED REVENUES FROM SALES INPUT</u>			
AF	267	Annual kWh Sales - Proposed	SCH AF, LN 256	1,696,490	1,483,798
AF	268	Sales of Electricity Revenues - Proposed Total		160,135,873	149,653,623
AF	269	Sales of Electricity Revenues - Proposed		160,135,874	149,653,623
AF	270	Credit		0	0
AF	271	Credit	DPROD	0	0
AF	272				
AF	273				
AF	274				
AF	275				
AF	276				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
AP	1	ALLOCATION PROPORTIONS TABLE			
AP	2	<u>DEMAND</u>			
AP	3				
AP	4	<u>DEMAND - PRODUCTION RELATED</u>			
AP	5	Demand Production (12 CP)	DPROD	1.00000	0.89831
AP	6				
AP	7				
AP	8				
AP	9	<u>DEMAND - TRANSMISSION RELATED</u>			
AP	10	Demand Transmission (NCP)	DTRAN	1.00000	0.90971
AP	11				
AP	12				
AP	13				
AP	14				
AP	15				
AP	16				
AP	17				
AP	18				
AP	19				
AP	20	<u>DEMAND - DISTRIBUTION RELATED (NCP)</u>			
AP	21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.90971
AP	22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.90971
AP	23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.90971
AP	24				
AP	25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.90971
AP	26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.90971
AP	27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.90971
AP	28	Demand Distribution Undergrmd Line Transformers	DDISTSUT	1.00000	0.90971
AP	29				
AP	30				
AP	31				
AP	32				
AP	33				
AP	34				
AP	35				
AP	36				
AP	37				
AP	38				
AP	39				
AP	40				
AP	41				
AP	42				
AP	43				
AP	44				
AP	45				
AP	46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 47	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 48				
AP 49	ENERGY			
AP 50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.87637
AP 51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.87837
AP 52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.87463
AP 53				
AP 54				
AP 55				
AP 56				
AP 57				
AP 58				
AP 59				
AP 60				
AP 61	CUSTOMER			
AP 62				
AP 63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.96116
AP 64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.96116
AP 65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.96116
AP 66				
AP 67			0.00000	0.00000
AP 68			0.00000	0.00000
AP 69			0.00000	0.00000
AP 70			0.00000	0.00000
AP 71				
AP 72	369-Services	CSERVICE	1.00000	0.90971
AP 73	370-Meters	CMETERS	1.00000	0.96227
AP 74				
AP 75	902-Meter Reading	CMETRDG	1.00000	0.96116
AP 76	903-Customer Records and Collections	CUSTREC	1.00000	0.96116
AP 77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.96116
AP 78	908-Customer Assistance	CUSTASST	1.00000	0.96116
AP 79	909-Advertisement	CUSTADVT	1.00000	0.96116
AP 80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.96116
AP 81				
AP 82			0.00000	0.00000
AP 83				
AP 84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.93676
AP 85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.98020
AP 86				
AP 87	Number of Bills	CUSTBILLS	1.00000	0.96116
AP 88	Number of Customers	CUST	1.00000	0.96116
AP 89				
AP 90				
AP 91				
AP 92				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 93	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AP 95				
AP 96	Plant			
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.91055
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.93136
AP 98	Rate Base	RATEBASE	1.00000	0.91087
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.91062
AP 101	Production Plant In Service	PRODPLT	1.00000	0.89831
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.90971
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.93136
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.93107
AP 105	General Plant in Service	GENLPLT	1.00000	0.91240
AP 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1.00000	0.80250
AP 107	Account 360	PLT_360	1.00000	0.95988
AP 108	Account 361	PLT_361	1.00000	0.98863
AP 109	Account 362	PLT_362	1.00000	0.83500
AP 110	Account 364	PLT_364	1.00000	0.94662
AP 111	Account 365	PLT_365	1.00000	0.95168
AP 112	Account 366	PLT_366	1.00000	0.98155
AP 113	Account 367	PLT_367	1.00000	0.97830
AP 114	Account 368	PLT_368	1.00000	0.96190
AP 115	Account 369	PLT_369	1.00000	0.97596
AP 116	Account 370	PLT_370	1.00000	0.95722
AP 117	Account 371	PLT_371	1.00000	0.96073
AP 118	Account 373	PLT_373	1.00000	0.95630
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.94855
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.97860
AP 121	Account 371&373	PLT_3713	1.00000	0.95877
AP 122				
AP 123	South Dakota	DPLTSD	1.00000	1.00000
AP 124	Wyoming	DPLTWY	1.00000	0.00000
AP 125	Montana	DPLTMT	1.00000	0.00000
AP 126				
AP 127				
AP 128				
AP 129				
AP 130				
AP 131				
AP 132				
AP 133				
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.91298
AP 135	Supervised O&M Expense excluding CUS	OMXFPPPT	1.00000	0.91558
AP 136				
AP 137				
AP 138				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 140	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AP 141	Production Expense			
AP 142	Account 500	OX_500	1.00000	0.88220
AP 143	Account 501	OX_501	1.00000	0.87637
AP 144	Account 502	OX_502	1.00000	0.89831
AP 145	Account 505	OX_505	1.00000	0.89831
AP 146	Account 506	OX_506	1.00000	0.89831
AP 147	Account 510	MX_510	1.00000	0.89831
AP 148	Account 511	MX_511	1.00000	0.89831
AP 149	Account 512	MX_512	1.00000	0.89831
AP 150	Account 513	MX_513	1.00000	0.89831
AP 151	Account 514	MX_514	1.00000	0.89831
AP 152	Account 546	OX_546	1.00000	0.88220
AP 153	Account 547	OX_547	1.00000	0.87637
AP 154	Account 548	OX_548	1.00000	0.89831
AP 155	Account 549	OX_549	1.00000	0.89831
AP 156	Account 551	MX_551	1.00000	0.89831
AP 157	Account 552	MX_552	1.00000	0.89831
AP 158	Account 553	MX_553	1.00000	0.89831
AP 159	Account 554	MX_554	1.00000	0.89831
AP 160	Account 556	OX_556	1.00000	0.89831
AP 161	Account 555	OX_555	1.00000	0.87982
AP 162	Account 557	OX_557	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.88220
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.89831
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.88220
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.89831
AP 167	Transmission Expense			
AP 168	Account 560	OX_560	1.00000	0.90971
AP 169	Account 561	OX_561	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.90971
AP 172	Account 565	OX_565	1.00000	0.90971
AP 173	Account 566	OX_566	1.00000	0.90971
AP 174	Account 567	OX_567	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.90971
AP 176	Account 569	MX_569	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.90971
AP 178	Account 571	MX_571	1.00000	0.90971
AP 179	Account 573	MX_573	1.00000	0.90971
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.90971
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.90971
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.90971
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.90971
AP 184				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 186	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AP 187	Distribution Expense			
AP 188	Account 580	OX_580	1.00000	0.93301
AP 189	Account 581	OX_581	1.00000	0.93136
AP 190	Account 582	OX_582	1.00000	0.83500
AP 191	Account 583	OX_583	1.00000	0.94855
AP 192	Account 584	OX_584	1.00000	0.97860
AP 193	Account 585	OX_585	1.00000	0.95877
AP 194	Account 586	OX_586	1.00000	0.96227
AP 195	Account 587	OX_587	1.00000	0.96227
AP 196	Account 588	OX_588	1.00000	0.93136
AP 197	Account 589	OX_589	1.00000	0.93136
AP 198	Account 590	MX_590	1.00000	0.94264
AP 199	Account 592	MX_592	1.00000	0.83500
AP 200	Account 593	MX_593	1.00000	0.94855
AP 201	Account 594	MX_594	1.00000	0.97860
AP 202	Account 595	MX_595	1.00000	0.96190
AP 203	Account 596	MX_596	1.00000	0.95877
AP 204	Account 597	MX_597	1.00000	0.96227
AP 205	Account 598	MX_598	1.00000	0.93136
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.93301
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.94264
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.93301
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.94264
AP 210				
AP 211	Account 902	OX_902	1.00000	0.96116
AP 212	Account 903	OX_903	1.00000	0.96116
AP 213	Account 904	OX_904	1.00000	0.96826
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.96234
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.96234
AP 216				
AP 217	Account908	OX_908	1.00000	0.96116
AP 218	Account909	OX_909	1.00000	0.96116
AP 219	Account910	OX_910	1.00000	0.96116
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.96116
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.96116
AP 222				
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.91240
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.91240
AP 225				
AP 226				
AP 227				
AP 228				
AP 229				
AP 230				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
AP	231	REVENUES AND BILLING DETERMINANTS			
AP	232				
AP	233	Base Rate Sales Revenue	SALESREV	1.00000	0.90028
AP	234	South Dakota	SREVSD	1.00000	1.00000
AP	235	Wyoming	SREVVY	1.00000	0.00000
AP	236	Montana	SREVMT	1.00000	0.00000
AP	237				
AP	238				
AP	239				
AP	240	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.89809
AP	241				
AP	242				
AP	243				
AP	244				
AP	245				
AP	246	PRESENT REVENUES FROM SALES INPUT			
AP	247				
AP	248	Total Sales of Electricity Revenues		1.00000	0.90028
AP	249				
AP	250	Sales of Electricity Revenues		1.00000	0.90028
AP	251				
AP	252				
AP	253				
AP	254				
AP	255				
AP	256				
AP	257				
AP	258				
AP	259				
AP	260				
AP	261				
AP	262				
AP	263				
AP	264				
AP	265				
AP	266				
AP	267				
AP	268				
AP	269				
AP	270				
AP	271				
AP	272				
AP	273				
AP	274				
AP	275				
AP	276				

BLACK HILLS POWER, INC.
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 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS			
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS			
ADA 3				
ADA 4	Write-Offs - Test Period			
ADA 5	South Dakota	SREVSD	559,949	559,949
ADA 6	Wyoming	SREVVY	18,357	0
ADA 7	Montana	SREVMT	0	0
ADA 8				
ADA 9				
ADA 10				
ADA 11				
ADA 12				
ADA 13				
ADA 14				
ADA 15	Total Write-Offs	EXP_904	578,305	559,949
ADA 16				
ADA 17	Total Write-Offs	EXP_904	1.00000	0.96826
ADA 18				
ADA 19	Construction Advances			
ADA 20	South Dakota	DPLTSD	98%	98%
ADA 21	Wyoming	DPLTWY	2%	0%
ADA 22	Montana	DPLTMT	0%	0%
ADA 23				
ADA 24				
ADA 25				
ADA 26				
ADA 27	Customer Advances for Construction	CUSTADV	100%	98%
ADA 28				
ADA 29	Customer Advances for Construction	CUSTADV	1.00000	0.98000
ADA 30				
ADA 31				
ADA 32				
ADA 33				
ADA 34				
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ADA 46				

BLACK HILLS POWER, INC.
 PER BOOK COST OF SERVICE BY JURISDICTION
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
RRW 1	REVENUE REQUIREMENTS			
RRW 2				
RRW 3	PRESENT RATES			
RRW 4				
RRW 5	RATE BASE		530,281,754	419,344,691
RRW 6	NET OPER INC (PRESENT RATES)		46,814,259	33,656,260
RRW 7	RATE OF RETURN (PRES RATES)		8.83%	8.03%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.91
RRW 9	SALES REVENUE (PRE RATES)		182,976,438	146,724,130
RRW 10				
RRW 11				
RRW 12				
RRW 13				
RRW 14	CLAIMED RATE OF RETURN			
RRW 15				
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		44,967,893	35,560,430
RRW 18	SALES REVENUE REQ CLAIMED ROR		160,135,874	149,653,623
RRW 19	REVENUE DEFICIENCY SALES REV		(2,840,564)	2,929,493
RRW 20	PERCENT INCREASE REQUIRED		-1.74%	1.96%
RRW 21	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 22				
RRW 23				
RRW 24				
RRW 25	PROPOSED REVENUES			
RRW 26				
RRW 27	PROPOSED SALES REVENUES		160,135,874	149,653,623
RRW 28	REVENUE DEFICIENCY SALES REV		(2,840,564)	2,929,493
RRW 29	PERCENT INCREASE PROPOSED		-1.74%	1.96%
RRW 30	PROPOSED RATE OF RETURN		8.48%	8.48%
RRW 31	RETURN REQ FOR PROPOSED REV		44,967,891	35,560,430
RRW 32	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 33				
RRW 34				
RRW 35				
RRW 36				
RRW 37				
RRW 38				
RRW 39				
RRW 40				
RRW 41				
RRW 42				
RRW 43				
RRW 44				
RRW 45				
RRW 46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
M 1	SUMMARY AT PRESENT RATES			
M 2				
M 3	DEVELOPMENT OF RETURN			
M 4				
M 5	OPERATING REVENUE	<u>Sched N-1 Reference</u>		
M 6	Sales of Electricity	SCH I, LN 4	134,872,015	124,169,353
M 7	Contract Sales	SCH I, LN 5	21,472,488	19,288,845
M 8	Other Operating Revenue	SCH I, LN 15	28,599,307	5,800,779
M 9	TOTAL OPERATING REVENUE		184,943,810	149,258,977
M 10				
M 11	OPERATING EXPENSES			
M 12	Operation and Maintenance Expense	SCH H, LN 178	79,980,969	67,628,526
M 13	Depreciation Expense	SCH J, LN 28	31,494,618	26,137,533
M 14	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	5,426,022	4,199,038
M 16	State Income Tax	SCH K, LN 10	3,403	0
M 17	Federal Income Tax	SCH K, LN 32	15,153,994	10,753,377
M 18	TOTAL OPERATING EXPENSES		136,456,828	112,750,105
M 19				
M 20	OPERATING INCOME (RETURN)		48,486,982	36,508,872
M 21				
M 22				
M 23	DEVELOPMENT OF RATE BASE			
M 24	Electric Plant in Service	SCH D-2, LN 116	1,108,693,584	901,099,320
M 25	Less: Accumulated Depreciation	SCH E, LN 28	310,786,354	251,710,991
M 26	Less: Amortization	SCH E, LN 30	3,156,280	2,835,303
M 27	Plus: Working Capital	SCH F, LN 9	17,824,259	13,863,166
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	147,216,237	117,714,228
M 29				
M 30	TOTAL RATE BASE	SCH F, LN 29	665,358,973	542,701,964
M 31				
M 32				
M 33	RATE OF RETURN (PRESENT)		7.29%	6.73%
M 34				
M 35	INDEX RATE OF RETURN (PRESENT)		1.00	0.92
M 36				
M 37				
M 38				
M 39				
M 40				
M 41				
M 42				
M 43				
M 44				
M 45				
M 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 47	EQUALIZED RETURN AT PROPOSED ROR			
M 48				
M 49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)			
M 50				
M 51	RATE BASE		665,358,973	542,701,964
M 52				
M 53	RATE OF RETURN		8.48%	8.48%
M 54				
M 55	RETURN (RATE BASE * ROR)		56,422,441	46,021,127
M 56				
M 57	LESS:			
M 58	OPERATING EXPENSES	<u>Sched N-1 Reference</u>		
M 59	Operation and Maintenance Expense	SCH M, LN 12	79,980,969	67,628,526
M 60	Depreciation Expense	SCH M, LN 13	31,494,618	26,137,533
M 61	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 62	Taxes Other Than Income Taxes	SCH M, LN 15	5,426,022	4,199,038
M 63	State Income Tax	CALCULATED	3,403	0
M 64	Federal Income Tax	CALCULATED	19,426,934	15,875,360
M 65	TOTAL OPERATING EXPENSES		140,729,768	117,872,089
M 66				
M 67	EQUALS TOTAL COST OF SERVICE		197,152,209	163,893,215
M 68				
M 69	LESS:			
M 70	OTHER OPERATING REVENUES		50,071,795	25,089,624
M 71				
M 72	EQUALS:			
M 73	PROPOSED BASE RATE SALES @ EQUALIZED ROR		147,080,413	138,803,591
M 74				
M 75				
M 76	TOTAL COST OF SERVICE INCREASE/(DECREASE)		12,208,398	14,634,238
M 77				
M 78	SALES OF ELECTRICITY		134,872,015	124,169,353
M 79	SALES OF ELECTRICITY FOR BASE ENERGY (Direct Assignment)		39,231,859	33,682,213
M 80	TOTAL CURRENT RETAIL REVENUES		174,103,874	157,851,566
M 81				
M 82	REVENUE INCREASE TO RETAIL REVENUES (%)		7.01%	9.27%
M 83				
M 84				
M 85				
M 86				
M 87				
M 88				
M 89				
M 90				
M 91				
M 92				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
Page 3 of 34

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
M 93	RETURN AT PROPOSED RATES			
M 94				
M 95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS			
M 96				
M 97	OPERATING REVENUE			
M 98	Sales of Electricity	SCH AF, LN 269	152,035,636	138,803,636
M 99	Contract Revenues	SCH I, LN 5	21,472,488	19,288,845
M 100	Other Operating Revenue	SCH I, LN 15	28,599,307	5,800,779
M 101	TOTAL OPERATING REVENUE		202,107,432	163,893,260
M 102				
M 103	OPERATING EXPENSES			
M 104	Operation and Maintenance Expense	SCH H, LN 178	79,980,969	67,628,526
M 105	Depreciation Expense	SCH J, LN 28	31,494,618	26,137,533
M 106	Amortization Expense	SCH J, LN 30	4,397,822	4,031,631
M 107	Taxes Other Than Income Taxes	SCH L, LN 20	5,428,022	4,199,038
M 108	State Income Tax	CALCULATED	3,403	0
M 109	Federal Income Tax	CALCULATED	19,426,934	15,875,360
M 110	TOTAL OPERATING EXPENSES		140,729,768	117,872,089
M 111				
M 112	OPERATING INCOME (RETURN) AT PROPOSED RATES		61,377,664	46,021,171
M 113				
M 114				
M 115	RATE BASE	SCH M, LN 30	665,358,973	542,701,964
M 116				
M 117				
M 118	RATE OF RETURN		9.22%	8.48%
M 119				
M 120	INDEX RATE OF RETURN		1.00	0.92
M 121				
M 122				
M 123	PROPOSED TOTAL REVENUE INCREASE (\$)		14,634,238	14,634,238
M 124				
M 125	SALES OF ELECTRICITY		134,872,015	124,169,353
M 126	SALES OF ELECTRICITY FOR BASE ENERGY COSTS		39,231,859	33,682,213
M 127	TOTAL CURRENT RETAIL REVENUES		174,103,874	157,851,566
M 128				
M 129	REVENUE INCREASE TO RETAIL REVENUES (%)		8.41%	9.27%
M 130				
M 131				
M 132				
M 133				
M 134				
M 135				
M 136				
M 137				
M 138				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
 Page 4 of 34

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
D-1	1	DEVELOPMENT OF RATE BASE		
D-1	2			
D-1	3	ELECTRIC PLANT IN SERVICE		
D-1	4			
D-1	5	PRODUCTION PLANT		
D-1	6	Steam Plant		
D-1	7	310-Land & Land Rights	DPROD 333,639	299,710
D-1	8	311-Structures & Improve	DPROD 40,487,096	36,369,764
D-1	9	312-Boiler Plant Equipment	DPROD 239,281,173	214,947,494
D-1	10	313-Engines and Engine Driver Generator	DPROD 341,878	307,111
D-1	11	314-Turbogenerator Units	DPROD 125,463,205	112,704,235
D-1	12	315-Accessory Electric Equipment	DPROD 24,458,357	21,971,066
D-1	13	316-Misc Power Plant Equipment	DPROD 3,856,198	3,464,042
D-1	14	106-Completed Not Classified Production Plant	DPROD 3,628,149	3,259,185
D-1	15	Steam Plant Additions/Retirements	DPROD (38,426,023)	(34,518,292)
D-1	16	Total Steam Plant	399,423,672	358,804,315
D-1	17			
D-1	18			
D-1	19	Other Production Plant		
D-1	20	340-Land & Land Rights	DPROD 2,705	2,430
D-1	21	341-Structures and Improvements	DPROD 516,826	464,267
D-1	22	342-Fuel Holders, Producers, & Access	DPROD 5,328,853	4,786,936
D-1	23	344-Generators	DPROD 69,138,920	62,107,843
D-1	24	345-Accessory Electric Equipment	DPROD 4,867,260	4,372,284
D-1	25	346-Misc Power Plant Equipment	DPROD 82,868	74,441
D-1	26	106-Completed Not Classified Oth Prod Plt	DPROD 548,895	493,075
D-1	27	Other Prod Plant Additions/Annualization	DPROD 94,966,164	85,308,588
D-1	28	Total Other Production Plant	175,452,491	157,609,865
D-1	29			
D-1	30	TOTAL PRODUCTION PLANT	574,876,163	516,414,181
D-1	31			
D-1	32			
D-1	33	TRANSMISSION PLANT		
D-1	34	350-Land & Land Rights	DTRAN 5,745,930	189,539
D-1	35	352-Structures & Improvements	DTRAN 1,782,604	58,802
D-1	36	353-Station Equipment	DTRAN 48,927,254	1,613,949
D-1	37	354-Tower and Fixtures	DTRAN 864,826	28,528
D-1	38	355-Poles & Fixtures	DTRAN 28,021,035	924,322
D-1	39	356-Overhead Conductors & Devices	DTRAN 29,422,077	970,537
D-1	40	358-Roads and Trails	DTRAN 6,920	6,295
D-1	41	106-Completed Not Classified Transmission Plt	DTRAN 263,253	0
D-1	42	Transmission Plant Additions/Annualization	DTRAN 0	0
D-1	43	TOTAL TRANSMISSION PLANT	115,033,899	3,791,973
D-1	44			
D-1	45			
D-1	46			

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
(a)	(b)	(c)	(d)	
D-1 47	ELECTRIC PLANT IN SERVICE CONTINUED			
D-1 48				
D-1 49	DISTRIBUTION PLANT			
D-1 50	360-Land & Land Rights	Direct Assignment	2,106,585	2,022,060
D-1 51	361-Structures & Improvements	Direct Assignment	708,861	700,802
D-1 52	362-Station Equipment	Direct Assignment	71,650,994	58,163,248
D-1 53	364-Poles, Towers & Fixtures			
D-1 54	Primary - Demand		53,624,432	50,761,939
D-1 55	Secondary - Demand		14,177,353	13,420,561
D-1 56	Total Account 364	Direct Assignment	67,801,785	64,182,500
D-1 57	365-Overhead Conductors & Devices			
D-1 58	Primary - Demand		35,661,461	33,938,217
D-1 59	Secondary - Demand		6,121,153	5,825,365
D-1 60	Total Account 365	Direct Assignment	41,782,614	39,763,582
D-1 61	366-Underground Conduit			
D-1 62	Primary - Demand		2,423,473	2,378,767
D-1 63	Secondary - Demand		1,658,510	1,627,915
D-1 64	Total Account 366	Direct Assignment	4,081,983	4,006,682
D-1 65	367-Underground Conductors & Devices			
D-1 66	Primary - Demand		20,306,834	19,866,165
D-1 67	Secondary - Demand		19,354,951	18,934,938
D-1 68	Total Account 367	Direct Assignment	39,661,786	38,801,103
D-1 69	368-Line Transformers			
D-1 70	Demand		35,013,434	33,679,565
D-1 71	Total Account 368	Direct Assignment	35,013,434	33,679,565
D-1 72	369-Services	Direct Assignment	29,259,736	28,556,304
D-1 73	370-Meters	Direct Assignment	6,989,275	6,690,268
D-1 74	371-Installation on Customer Premises	Direct Assignment	2,177,398	2,091,882
D-1 75	373-Street Lighting & Signal Systems	Direct Assignment	1,726,403	1,650,961
D-1 76	106 - Comp Not Class and Alloc. Additions	DISTPLTXNC	14,735,044	13,723,662
D-1 77	Distribution Plant Additions - Direct Assigned	Direct Assignment	16,377,387	16,377,387
D-1 78	TOTAL DISTRIBUTION PLANT		334,073,283	310,410,006
D-1 79				
D-1 80				
D-1 81				
D-1 82	TOTAL PROD, TRANS, & DIST PLANT		1,023,983,345	830,616,159
D-1 83				
D-1 84				
D-1 85				
D-1 86				
D-1 87				
D-1 88				
D-1 89				
D-1 90				
D-1 91				
D-1 92				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
D-1 93	ELECTRIC PLANT IN SERVICE CONTINUED			
D-1 94				
D-1 95	GENERAL PLANT			
D-1 96	389-Land and Land Rights	SALWAGES	853,197	682,899
D-1 97	390-Structures and Improvements	SALWAGES	11,778,669	9,427,643
D-1 98	391-Office Furniture & Equipment	SALWAGES	8,175,825	6,543,927
D-1 99	392-Transportation Equipment	SALWAGES	7,686,751	6,152,473
D-1 100	393-Store Equipment	SALWAGES	331,885	265,641
D-1 101	394-Tools, Shop & Garage Equip.	SALWAGES	4,240,319	3,393,950
D-1 102	395-Laboratory Equipment	SALWAGES	366,125	293,046
D-1 103	396-Power Operated Equipment	SALWAGES	834,087	667,603
D-1 104	397-Communication Equipment	SALWAGES	8,173,417	6,542,000
D-1 105	398-Miscellaneous Equipment	SALWAGES	197,046	157,716
D-1 106	Rate Case Expense	SREVSD	750,046	750,046
D-1 107	106-Completed Not Classified General Plant	SALWAGES	1,852,886	1,698,603
D-1 108	General Plant Additions/Annualization	SALWAGES	6,803,547	6,237,040
D-1 109	TOTAL GENERAL PLANT		52,043,800	42,812,585
D-1 110				
D-1 111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	27,796,131	23,295,553
D-1 112				
D-1 113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,870,308	4,375,022
D-1 114				
D-1 115				
D-1 116	TOTAL ELECTRIC PLANT IN SERVICE		1,108,693,584	901,099,320
D-1 117				
D-1 118				
D-1 119				
D-1 120				
D-1 121				
D-1 122				
D-1 123				
D-1 124				
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D-1 137				
D-1 138				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
E 1	LESS: ACCUMULATED DEPRECIATION			
E 2				
E 3	PRODUCTION PLANT ACCUM DEPRECIATION	PRODPLT	140,772,556	126,456,703
E 4				
E 5	TRANSMISSION PLANT ACCUM DEPREC	TRANPLT	31,521,044	748,960
E 6				
E 7	DISTRIBUTION PLANT ACCUM DEPRECIATION			
E 8	360-Land & Land Rights	PLT_360	(42,910)	(41,188)
E 9	361-Structures & Improvements	PLT_361	159,696	157,880
E 10	362-Station Equipment	PLT_362	25,117,149	20,603,201
E 11	364-Poles, Towers & Fixtures	PLT_364	24,530,305	23,220,868
E 12	365-Overhead Conductors & Devices	PLT_365	14,036,842	13,358,550
E 13	366-Underground Conduit	PLT_366	500,534	491,301
E 14	367-Underground Conductors & Devices	PLT_367	15,078,398	14,751,188
E 15	368-Line Transformers	PLT_368	12,284,621	11,816,627
E 16	369-Services	PLT_369	9,900,724	9,662,701
E 17	370-Meters	PLT_370	(2,074,770)	(1,986,010)
E 18	371-Installation on Customer Premises	PLT_371	850,997	817,575
E 19	373-Street Lighting & Signal Systems	PLT_373	823,773	787,775
E 20	Accum Dep Adj for WY Distribution Additions	Direct Assignment	221,095	221,095
E 21	Unspecified and Accum Dep Adjustment	DISTPLT	47,489	44,390
E 22	TOTAL DISTRIBUTION PLANT ACCUM DEPR		101,433,943	93,905,953
E 23				
E 24	GENERAL PLANT ACCUM DEPRECIATION	GENLPLT	19,467,573	15,927,678
E 25				
E 26	OTHER UTILITY ACCUM DEPRECIATION	SALWAGES	17,591,238	14,671,698
E 27				
E 28	TOTAL ACCUMULATED DEPRECIATION		310,786,354	251,710,991
E 29				
E 30	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	3,156,280	2,835,303
E 31				
E 32	NET ELECTRIC PLANT IN SERVICE		794,750,950	646,553,026
E 33				
E 34				
E 35				
E 36				
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E 39				
E 40				
E 41				
E 42				
E 43				
E 44				
E 45				
E 46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE			
F 2				
F 3	PLUS: ADDITIONS TO RATE BASE			
F 4	WORKING CAPITAL			
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,393,853)	(5,360,457)
F 6	Fuel Inventory	ENEFUEL	7,291,312	6,389,875
F 7	Materials and Supplies	TOTPLT	14,984,427	12,332,720
F 8	Prepayments	OMXFPP	942,373	501,028
F 9	TOTAL WORKING CAPITAL		17,824,259	13,863,166
F 10				
F 11	LESS: DEDUCTIONS TO RATE BASE			
F 12	Customer Advances for Construction	CUSTADV	1,347,225	1,339,142
F 13	Regulatory Assets - S&W Related	SALWAGES	(27,598,836)	(25,300,778)
F 14	Regulatory Assets - Plant Related	TOTPLT	(9,021,554)	(3,306,466)
F 15	Regulatory Assets - Decommissioning	PRODPLT	(13,890,856)	(12,478,227)
F 16	Regulatory Assets - Storm Atlas	Direct Assignment	(3,310,806)	(3,310,806)
F 17	Regulatory Liabilities - S&W Related	SALWAGES	42,807,503	39,243,073
F 18	Regulatory Liabilities - Plant Related	TOTPLT	736,378	671,583
F 19	Deferred Income Taxes and Credits			
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(10,410,867)	(9,494,797)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(23,131,246)	(21,205,189)
F 22	Deferred Income Tax - Customer (Debit)	CUST	356,564	342,714
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	184,947,309	147,193,716
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	4,385,423	4,020,264
F 25	Total Deferred Income Taxes and Credits		156,147,183	120,856,708
F 26	TOTAL DEDUCTIONS TO RATE BASE		147,216,237	117,714,228
F 27				
F 28				
F 29	TOTAL RATE BASE		665,358,973	542,701,964
F 30				
F 31				
F 32				
F 33				
F 34				
F 35				
F 36				
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F 42				
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F 44				
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F 46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
F-3 1	CASH WORKING CAPITAL (LEAD LAG)			
F-3 2				
F-3 3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL			
F-3 4	Purchased Fuel (Coal, Gas, & Oil)	ENEFUEL	0	0
F-3 5	Coal Transportation	ENEFUEL	0	0
F-3 6	Natural Gas - Other Production	ENEFUEL	0	0
F-3 7	Purchased Power	OX_555	19,707	17,703
F-3 8	Transmission	TRANPLT	0	0
F-3 9	Labor	SALWAGES	37,646	34,511
F-3 10	Employee Benefits	SALWAGES	49	45
F-3 11	Service Company Charges	SALWAGES	95,552	87,596
F-3 12	Other O&M	OMXFPP	56,148	51,471
F-3 13	Wyodak Power Plant O&M	PRODPLT	10,025	9,006
F-3 14	TOTAL O&M		219,127	200,331
F-3 15				
F-3 16	TAXES OTHER THAN INCOME TAXES			
F-3 17	Property Taxes	TOTPLT	13,815	12,599
F-3 18	Unemployment Taxes (FUTA & SUTA)	SALWAGES	280	257
F-3 19	Montana Electric Energy	SREVMT	43	0
F-3 20	Wyoming Franchise Tax	SREWWY	176	0
F-3 21	South Dakota PUC	SREVSD	686	686
F-3 22	Wyoming PSC	SREWWY	0	0
F-3 23	FICA Taxes - Employer's	SALWAGES	8,297	7,606
F-3 24	TOTAL TAXES OTHER THAN INCOME TAXES		23,297	21,148
F-3 25				
F-3 26	Depreciation Expense	TOTPLT	86,287	122,093
F-3 27	Amortization Expense	PRODPLT	12,049	10,824
F-3 28	TOTAL DEPRECIATION/AMORTIZATION		98,335	132,917
F-3 29				
F-3 30	FEDERAL INCOME TAXES	CLAIMREV	53,224	48,652
F-3 31				
F-3 32	INTEREST EXPENSE	TOTPLT	56,523	51,549
F-3 33				
F-3 34	GRAND TOTAL		450,507	454,598
F-3 35				
F-3 36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)		(4,216,746)	(4,255,037)
F-3 37				
F-3 38	LESS: TAX COLLECTIONS AVAILABLE		(1,177,107)	(1,105,420)
F-3 39				
F-3 40	NET CASH WORKING CAPITAL REQUIREMENT		(5,393,853)	(5,360,457)
F-3 41				
F-3 42				
F-3 43				
F-3 44				
F-3 45				
F-3 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
F-3	1				
F-3	2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED			
F-3	3				
F-3	4	<u>LAG/LEAD DAYS</u>			
F-3	5	REVENUE LAG DAYS		33.98	
F-3	6	EXPENSE LEAD DAYS		43.34	
F-3	7	NET DAYS		(9.36)	
F-3	8				
F-3	9	TAX COLLECTIONS AVAILABLE			
F-3	10	FICA Taxes (Employee Contribution)	SALWAGES	(71,445)	(65,496)
F-3	11	Federal Withholding Tax	SALWAGES	(139,530)	(127,912)
F-3	12	South Dakota Sales and Use Tax	SREVSD	(912,012)	(912,012)
F-3	13	Wyoming Sales and Use Tax	SREVWY	(54,120)	0
F-3	14	TOTAL TAX COLLECTIONS AVAILABLE		(1,177,107)	(1,105,420)
F-3	15				
F-3	16				
F-3	17				
F-3	18				
F-3	19				
F-3	20				
F-3	21				
F-3	22				
F-3	23				
F-3	24				
F-3	25				
F-3	26				
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F-3	45				
F-3	46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
1	OPERATING REVENUES			
2				
3	SALES REVENUES			
4	Sales of Electricity Revenues		134,872,015	124,169,353
5	Contract Revenues	DPROD	21,472,488	19,288,845
6	TOTAL SALES OF ELECTRICITY		156,344,503	143,458,198
7				
8	OTHER OPERATING REVENUES			
9	Unbilled and Cost Adjustment Revenue	Direct Assignment	0	
10	Demand Side Management Revenue	Direct Assignment	(968,002)	(968,002)
11	450-Forfeited Discounts	Direct Assignment	267,907	258,273
12	451-Miscellaneous Service Revenues	Direct Assignment	462,921	455,894
13	454-Rent from Electric Property	TDPLT	6,479,425	6,054,614
14	456-Other Electric Revenues - Transmission	TRANPLT	22,357,056	0
15	TOTAL OTHER OPERATING REV		28,599,307	5,800,779
16				
17	TOTAL OPERATING REVENUES		184,943,810	149,258,977
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
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BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
H	1				
H	2	OPERATION & MAINTENANCE EXPENSE			
H	3				
H	4				
H	5	PRODUCTION EXPENSE			
H	6				
H	7	Steam Production Operation			
H	8	500-Supervision & Engineering	SALWAGPO	1,754,177	1,575,786
H	9	501-Fuel	ENEFUEL	0	0
H	10	502-Steam Expense	DPROD	2,113,186	1,898,285
H	11	505-Electric Expense	DPROD	1,166,615	1,047,976
H	12	506-Miscellaneous Steam Power Expense	DPROD	784,580	704,792
H	13	507-Rent	DPROD	3,058,905	2,747,830
H	14	509-Allowances	DPROD	0	0
H	15	Total Steam Production Operation		8,877,463	7,974,670
H	16				
H	17	Steam Production Maintenance			
H	18	510-Supervision & Engineering	SALWAGPM	1,487,084	1,335,855
H	19	511-Maintenance of Structures	DPROD	758,656	681,505
H	20	512-Maintenance of Boilers	DPROD	3,430,455	3,081,595
H	21	513-Maintenance of Electric Plant	DPROD	605,885	544,270
H	22	514-Maintenance of Miscellaneous Steam Plant	DPROD	131,497	118,124
H	23	Total Steam Production Maintenance		6,413,578	5,761,349
H	24				
H	25	Total Steam Production Expense		15,291,040	13,736,019
H	26				
H	27	Other Production Operation			
H	28	546-Operation Supervision and Engineering	SALWAGPO	345,436	310,307
H	29	547-Fuel	ENEFUEL	0	0
H	30	548-Generation Expense	DPROD	678,743	609,718
H	31	549-Miscellaneous Other Power Generation	DPROD	1,149,191	1,032,324
H	32	550-Rents	DPROD	227,411	204,285
H	33	Total Other Production Operation		2,400,781	2,156,634
H	34				
H	35	Other Production Maintenance			
H	36	551-Supervision & Engineering	SALWAGPM	205,449	184,556
H	37	552-Structures	DPROD	96,721	86,885
H	38	553-Maintenance of Generating and Electric Plant	DPROD	2,120,441	1,904,803
H	39	554-Maintenance of Miscellaneous Other Power	DPROD	574,515	516,089
H	40	556-System Control and Load Dispatching	DPROD	1,260,938	1,132,707
H	41	557-Other Expenses	DPROD	2,000	1,797
H	42	Total Other Production Maintenance		4,260,063	3,826,836
H	43				
H	44	Total Other Production Expense		6,660,844	5,983,470
H	45				
H	46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
H 47	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 48				
H 49				
H 50	PRODUCTION EXPENSE (CONT.)			
H 51				
H 52	Other Power Supply			
H 53	555 - Purchased Power - Energy	ENERGY1	0	0
H 54	555 - Purchased Power - Capacity	DPROD	7,192,960	6,461,473
H 55	Total Other Power Supply		7,192,960	6,461,473
H 56				
H 57	TOTAL PRODUCTION EXPENSE		29,144,845	26,180,962
H 58				
H 59				
H 60	TRANSMISSION EXPENSES			
H 61				
H 62	Operation			
H 63	560-Supervision & Engineering	SALWAGTO	874,969	187,969
H 64	561-Load Dispatch	TRANPLT	2,487,668	0
H 65	562-Station Equipment	TRANPLT	315,470	0
H 66	563-Overhead Lines	TRANPLT	80,121	17,212
H 67	565-Transmission of Electricity by Others	TRANPLT	0	0
H 68	566-Miscellaneous	TRANPLT	131,053	28,154
H 69	567-Rents	TRANPLT	0	0
H 70	Total Transmission Operation		3,889,282	233,336
H 71				
H 72	Maintenance			
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	55	50
H 74	569-Maintenance of Structures	TRANPLT	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	151,064	32,453
H 76	571-Maintenance of Overhead Lines	TRANPLT	76,749	16,488
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,108	1,008
H 79	Total Transmission Maintenance		228,975	49,999
H 80				
H 81	TOTAL TRANSMISSION EXPENSE		4,118,257	283,335
H 82				
H 83				
H 84				
H 85				
H 86				
H 87				
H 88				
H 89				
H 90				
H 91				
H 92				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
H 93	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 94				
H 95				
H 96	DISTRIBUTION EXPENSES			
H 97	Operation			
H 98	580-Supervision	SALWAGDO	1,735,413	1,620,799
H 99	581-Load Dispatch	DISTPLT	641,549	599,687
H 100	582-Station Equipment	PLT_362	449,127	375,020
H 101	583-Overhead Lines	OHDIST	486,016	461,010
H 102	584-Underground Lines	UGDIST	305,099	298,571
H 103	585-Street Lighting	PLT_3713	1	1
H 104	586-Metering	CMETERS	786,540	756,867
H 105	587-Customer Installations	CMETERS	22,761	21,902
H 106	588-Miscellaneous	DISTPLT	366,951	343,006
H 107	589-Rents	DISTPLT	17,727	16,570
H 108	Total Distribution Operation		4,811,184	4,493,432
H 109				
H 110	Maintenance			
H 111	590-Supervision	SALWAGDM	1,250	1,179
H 112	591-Structures	DISTPLT	0	0
H 113	592-Station Equipment	PLT_362	287,790	240,304
H 114	593-Overhead Lines	OHDIST	3,708,522	3,517,711
H 115	594-Underground Lines	UGDIST	234,388	229,373
H 116	595-Transformers	PLT_368	47,646	45,831
H 117	596-Street Lighting	PLT_3713	56,846	54,502
H 118	597-Metering	CMETERS	69,156	66,547
H 119	598-Miscellaneous	DISTPLT	94,932	88,738
H 120	Total Distribution Maintenance		4,500,529	4,244,184
H 121				
H 122	TOTAL DISTRIBUTION EXPENSES		9,311,713	8,737,617
H 123				
H 124	TOTAL OPER & MAINT EXP (PROD, TRAN, & DIST)		42,574,815	35,201,914
H 125				
H 126				
H 127				
H 128				
H 129				
H 130				
H 131				
H 132				
H 133				
H 134				
H 135				
H 136				
H 137				
H 138				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H 139	OPERATION & MAINTENANCE EXPENSE CONTINUED			
H 140				
H 141				
H 142	CUSTOMER ACCOUNTS EXPENSES			
H 143	901-Supervision	SALWAGCA	53,158	51,163
H 144	902-Meter Reading	CMETRDG	19,927	19,153
H 145	903-Customer Records and Collection Expense	CUSTREC	1,208,197	1,161,267
H 146	904-Uncollectible Accounts	EXP_904	419,942	406,612
H 147	905-Miscellaneous CA	CUSTCAM	603,770	580,318
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,304,995	2,218,513
H 149				
H 150				
H 151	CUSTOMER SERVICE EXPENSES			
H 152	907-Supervision	SALWAGCS	204,020	196,095
H 153	908-Customer Assistance	CUSTASST	1,310,988	1,260,065
H 154	909-Advertisement	CUSTADVT	12,439	11,956
H 155	910-Miscellaneous CS	CUSTCSM	61,173	58,797
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,588,621	1,526,913
H 157				
H 158	SALES EXPENSES TOTAL	SALESREV	29,948	27,571
H 159				
H 160	TOTAL OPER & MAINT EXCL A&G		46,498,379	38,974,911
H 161				
H 162	ADMINISTRATIVE & GENERAL EXPENSE			
H 163	920-Administrative Salaries	SALWAGES	18,994,070	15,344,499
H 164	921-Office Supplies & Expense	SALWAGES	3,515,033	3,222,349
H 165	922-A&G Expense Transferred	SALWAGES	(43,983)	(40,321)
H 166	923-Outside Services	SALWAGES	2,901,746	2,660,128
H 167	xxx-Rate Case Expenses	SREVSD	318,061	318,061
H 168	924-Property Insurance	TOTPLT	856,357	781,005
H 169	925-Injuries and Damages	SALWAGES	2,569,267	2,355,333
H 170	926-Pensions & Benefits	SALWAGES	711,159	651,943
H 171	928-Regulatory Commission	SALESREV	550,134	506,479
H 172	930.1-General Advertising	SALWAGES	37,820	34,671
H 173	930.2-Miscellaneous General	SALWAGES	1,270,172	1,164,409
H 174	931-Rents	GENLPLT	545,039	500,385
H 175	932-Maintenance of General Plant	GENLPLT	1,257,715	1,154,674
H 176	TOTAL A&G EXPENSE		33,482,591	28,653,615
H 177				
H 178	TOTAL OPERATION & MAINTENANCE EXPENSES		79,980,969	67,628,526
H 179				
H 180				
H 181				
H 182				
H 183				
H 184				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA	
	(a)	(b)	(c)	(d)	
J	1	DEPRECIATION/AMORTIZATION EXPENSE			
J	2				
J	3	PRODUCTION PLANT EXPENSE	PRODPLT	16,299,694	14,642,098
J	4				
J	5	TRANSMISSION PLANT EXPENSE	TRANPLT	2,469,908	85,699
J	6				
J	7	DISTRIBUTION PLANT EXPENSE			
J	8	360-Land & Land Rights	PLT_360	0	0
J	9	361-Structures & Improvements	PLT_361	19,139	18,922
J	10	362-Station Equipment	PLT_362	1,934,577	1,453,684
J	11	364-Poles, Towers & Fixtures	PLT_364	1,830,648	1,732,927
J	12	365-Overhead Conductors & Devices	PLT_365	1,128,131	1,073,617
J	13	366-Underground Conduit	PLT_366	110,214	108,180
J	14	367-Underground Conductors & Devices	PLT_367	1,070,868	1,047,630
J	15	368-Line Transformers	PLT_368	945,363	909,348
J	16	369-Services	PLT_369	790,013	771,020
J	17	370-Meters	PLT_370	188,710	180,637
J	18	371-Installation on Customer Premises	PLT_371	58,790	56,481
J	19	373-Street Lighting & Signal Systems	PLT_373	46,613	44,576
J	20	Dep Adj for SD Distribution Additions	Direct Assignment	442,189	442,189
J	21	Distribution Plant Annualization	DISTPLT	397,846	371,886
J	22	TOTAL DISTRIBUTION PLANT EXPENSE		8,963,100	8,211,097
J	23				
J	24	GENERAL PLANT EXPENSE	GENLPLT	1,635,464	1,249,250
J	25				
J	26	OTHER UTILITY DEPRECIATION EXPENSE	SALWAGES	2,126,452	1,949,390
J	27				
J	28	TOTAL DEPRECIATION EXPENSE		31,494,618	26,137,533
J	29				
J	30	PLANT ACQUISITION ADJUSTMENT	SALWAGES	4,397,822	4,031,631
J	31				
J	32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE		35,892,440	30,169,164
J	33				
J	34				
J	35				
J	36				
J	37				
J	38				
J	39				
J	40				
J	41				
J	42				
J	43				
J	44				
J	45				
J	46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
L 1	OTHER OPERATING EXPENSES			
L 2				
L 3	TAXES OTHER THAN INCOME TAXES			
L 4	Federal Taxes			
L 5	FICA Tax	SALWAGES	3,028,493	2,626,261
L 6	Unemployment Tax	SALWAGES	21,474	19,686
L 7				
L 8	State Taxes			
L 9	Unemployment Tax	SALWAGES	80,601	73,890
L 10	Montana Electric Energy Tax	SREVMT	15,777	0
L 11	Wyoming Franchise Taxes	SREVWY	64,059	0
L 12	South Dakota PUC Tax	SREVSD	250,238	250,238
L 13	Wyoming Sales Tax	SREVWY	0	0
L 14				
L 15	Local Taxes			
L 16	Property	TOTPLT	5,042,451	4,049,818
L 17				
L 18	TOIT - Payroll Loading & Other	SALWAGES	(3,077,071)	(2,820,854)
L 19				
L 20	TOTAL TAXES OTHER THAN INCOME		5,426,022	4,199,038
L 21				
L 22				
L 23				
L 24				
L 25				
L 26				
L 27				
L 28				
L 29				
L 30				
L 31				
L 32				
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L 44				
L 45				
L 46				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
K 1	DEVELOPMENT OF INCOME TAXES			
K 2				
K 3	TOTAL OPERATING REVENUES	SCH I, LN 17	184,943,810	149,258,977
K 4				
K 5	LESS:			
K 6	OPERATION & MAINTAINENCE EXPENSE	SCH H, LN 178	79,980,969	67,628,526
K 7	DEPRECIATION EXPENSE	SCH J, LN 28	31,494,618	26,137,533
K 8	AMORTIZATION EXPENSE	SCH J, LN 30	4,397,822	4,031,631
K 9	TAXES OTHER THAN INCOME TAXES	SCH L, LN 20	5,426,022	4,199,038
K 10	MT STATE INCOME TAXES	SREVMT	3,403	0
K 11				
K 12	NET OPERATING INCOME BEFORE TAXES		63,640,977	47,262,248
K 13	AFUDC	TOTPLT	3,931,226	3,585,311
K 14	Interest Expense (Rate Base * Wtd Cost of Debt)		(20,027,304)	(16,335,329)
K 15	Subtotal		47,544,898	34,512,230
K 16				
K 17	Tax Adjustments:			
K 18	Permanent - Salaries & Wages	SALWAGES	(926,840)	(849,665)
K 19	Permanent - Plant	TOTPLTCUS	(163,489)	(132,877)
K 20	Temporary - Salaries & Wages	SALWAGES	(2,900,706)	(2,659,174)
K 21	Temporary - Plant	TOTPLTCUS	(11,931,703)	(9,697,584)
K 22	Temporary - Customer	CUST	(486,460)	(467,564)
K 23	Temporary - Other	CLAIMREV	1,324,870	1,211,073
K 24	Total Adjustments		(15,084,328)	(12,595,792)
K 25				
K 26	TAXABLE INCOME (NOL)		32,460,570	21,916,438
K 27				
K 28	Federal Income Tax @ 35%		11,361,199	7,670,753
K 29				
K 30	Other Tax Adjustments	TOTPLTCUS	3,792,795	3,082,624
K 31				
K 32	TOTAL FEDERAL INCOME TAX		15,153,994	10,753,377
K 33				
K 34	TOTAL INCOME TAXES		15,157,397	10,753,377
K 35				
K 36				
K 37				
K 38				
K 39				
K 40				
K 41				
K 42				
K 43				
K 44				
K 45				
K 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
K	47			
K	48			
K	49			
K	50			
K	51			
K	52 TAX RATES			
K	53 STATE TAX RATE		0.00%	
K	54 FEDERAL TAX RATE - CURRENT		35.00%	
K	55			
K	56			
K	57			
K	58			
K	59 WEIGHTED COST OF DEBT		3.01%	
K	60			
K	61			
K	62			
K	63			
K	64			
K	65			
K	66			
K	67			
K	68			
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K	92			

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
H-1 1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR			
H-1 2				
H-1 3	PRODUCTION SALARIES & WAGES EXPENSE			
H-1 4	Operation	OX_PROD	2,853,535	2,563,345
H-1 5	Maintenance	MX_PROD	2,214,751	1,989,522
H-1 6	TOTAL PRODUCTION		5,068,286	4,552,867
H-1 7				
H-1 8	TRANSMISSION SALARIES & WAGES EXPENSE			
H-1 9	Operation	OX_TRAN	195,861	178,177
H-1 10	Maintenance	MX_TRAN	47,990	43,657
H-1 11	TOTAL TRANSMISSION		243,851	221,834
H-1 12				
H-1 13	DISTRIBUTION SALARIES & WAGES EXPENSE			
H-1 14	Operation	OX_DIST	1,438,842	1,343,815
H-1 15	Maintenance	MX_DIST	779,113	734,736
H-1 16	TOTAL DISTRIBUTION		2,217,955	2,078,550
H-1 17				
H-1 18	CUSTOMER ACCOUNTS SAL & WAGES EXP	OX_CA	594,100	571,810
H-1 19				
H-1 20	CUSTOMER SERVICE SAL & WAGES EXP	OX_CS	510,055	490,243
H-1 21				
H-1 22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP			
H-1 23	Operation	SALWAGXAG	3,409,477	3,125,582
H-1 24	Maintenance	SALWAGXAG	8,241	7,555
H-1 25	TOTAL ADMINISTRATIVE & GENERAL		3,417,718	3,133,137
H-1 26				
H-1 27	TOT OPER & MAINTENANCE SALARIES & WAGES		12,051,965	11,048,440
H-1 28				
H-1 29				
H-1 30				
H-1 31				
H-1 32				
H-1 33				
H-1 34				
H-1 35				
H-1 36				
H-1 37				
H-1 38				
H-1 39				
H-1 40				
H-1 41				
H-1 42				
H-1 43				
H-1 44				
H-1 45				
H-1 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 1	ALLOCATION FACTOR TABLE			
AF 2	DEMAND			
AF 3				
AF 4	DEMAND - PRODUCTION RELATED			
AF 5	Demand Production (12 CP)	DPROD	263.73	236.91
AF 6				
AF 7				
AF 8				
AF 9	DEMAND - TRANSMISSION RELATED			
AF 10	Demand Transmission (NCP)	DTRAN	335.47	305.18
AF 11				
AF 12				
AF 13				
AF 14				
AF 15				
AF 16				
AF 17				
AF 18				
AF 19				
AF 20	DEMAND - DISTRIBUTION RELATED (NCP)			
AF 21	Demand Distribution Primary Substation	DDISPSUB	335.472	305.18
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	335.472	305.18
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	335.472	305.18
AF 24				
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	335.472	305.18
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	335.472	305.18
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	335.472	305.18
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	335.472	305.18
AF 29				
AF 30				
AF 31				
AF 32				
AF 33				
AF 34				
AF 35				
AF 36				
AF 37				
AF 38				
AF 39				
AF 40				
AF 41				
AF 42				
AF 43				
AF 44				
AF 45				
AF 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 47	ALLOCATION FACTOR TABLE CONTINUED			
AF 48				
AF 49	ENERGY			
AF 50	Energy @ Generation with losses (kWh)	ENEFUEL	1,832,552	1,605,990
AF 51	Energy @ Generation with losses(kWh)	ENERGY1	1,832,552	1,605,990
AF 52	Energy @ Meter (kWh Sales)	ENERGY2	1,696,490	1,483,798
AF 53				
AF 51				
AF 55				
AF 56				
AF 57				
AF 58				
AF 59				
AF 60				
AF 61	CUSTOMER			
AF 62				
AF 63	Customer Dist. Primary Substation	CDISPSUB	69,664	66,958
AF 64	Customer Dist. Primary Overhead Lines	CDISTPOL	69,664	66,958
AF 65	Customer Dist. Primary Underground Lines	CDISTPUL	69,664	66,958
AF 66				
AF 67				
AF 68				
AF 69				
AF 70				
AF 71				
AF 72	369-Services	CSERVICE	335,472	305,182
AF 73	370-Meters	CMETERS	15,938,218	15,336,942
AF 74				
AF 75	902-Meter Reading	CMETRDG	835,968	803,496
AF 76	903-Customer Records and Collections	CUSTREC	835,968	803,496
AF 77	905-Miscellaneous Customer Accounts	CUSTCAM	69,664	66,958
AF 78	908-Customer Assistance	CUSTASST	69,664	66,958
AF 79	909-Advertisement	CUSTADVT	69,664	66,958
AF 80	910-Miscellaneous Customer Service	CUSTCSM	69,664	66,958
AF 81				
AF 82				
AF 83				
AF 84	371-Installation on Customer Premises	CUSTPREM	2,799	2,622
AF 85	373-Street Lighting & Signal Systems	CLIGHT	202	198
AF 86				
AF 87	Number of Bills	CUSTBILLS	835,968	803,496
AF 88	Number of Customers	CUST	69,664	66,958
AF 89				
AF 90				
AF 91				
AF 92				

BLACK HILLS POWER, INC.
PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 93	ALLOCATION FACTOR TABLE CONTINUED			
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AF 95				
AF 96	Plant			
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	911,123,588	830,616,159
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	300,966,668	280,308,957
AF 98	Rate Base	RATEBASE	595,402,686	542,701,964
AF 100	Total Electric Plant In Service	TOTPLT	988,038,479	901,099,320
AF 101	Production Plant In Service	PRODPLT	574,876,163	516,414,181
AF 102	Transmission Plant in Service	TRANPLT	4,168,326	3,791,973
AF 103	Distribution Plant in Service	DISTPLT	332,079,099	310,410,006
AF 104	Total Transmission and Distribution Plant	TDPLT	336,247,425	314,201,978
AF 105	General Plant in Service	GENLPLT	46,633,106	42,812,585
AF 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1,108,693,584	901,099,320
AF 107	Account 360	PLT_360	2,106,585	2,022,060
AF 108	Account 361	PLT_361	708,861	700,802
AF 109	Account 362	PLT_362	69,656,810	58,163,248
AF 110	Account 364	PLT_364	67,801,785	64,182,500
AF 111	Account 365	PLT_365	41,782,614	39,763,582
AF 112	Account 366	PLT_366	4,081,983	4,006,682
AF 113	Account 367	PLT_367	39,661,786	38,801,103
AF 114	Account 368	PLT_368	35,013,434	33,679,565
AF 115	Account 369	PLT_369	29,259,736	28,556,304
AF 116	Account 370	PLT_370	6,989,275	6,690,268
AF 117	Account 371	PLT_371	2,177,398	2,091,882
AF 118	Account 373	PLT_373	1,726,403	1,650,961
AF 119	Distribution Overhead Plant in Service	OHDIST	109,584,399	103,946,082
AF 120	Distribution Underground Plant in Service	UGDIST	43,743,768	42,807,785
AF 121	Account 371&373	PLT_371&373	3,903,800	3,742,843
AF 122				
AF 123	South Dakota	DPLTSD	280,308,957	280,308,957
AF 124	Wyoming	DPLTWY	19,305,136	0
AF 125	Montana	DPLTMT	1,352,575	0
AF 126				
AF 127				
AF 128				
AF 129				
AF 130				
AF 131				
AF 132				
AF 133				
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	66,695,422	61,139,482
AF 135	Supervised O&M Expense excluding CUS	OMXFPT	35,480,890	32,496,868
AF 136				
AF 137				
AF 138				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 139	ALLOCATION FACTOR TABLE CONTINUED			
AF 140	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AF 141	Production Expense			
AF 142	Account 500	OX_500	1,754,177	1,575,786
AF 143	Account 501	OX_501	0	0
AF 144	Account 502	OX_502	2,113,186	1,898,285
AF 145	Account 505	OX_505	1,166,615	1,047,976
AF 146	Account 506	OX_506	784,580	704,792
AF 147	Account 510	MX_510	1,487,084	1,335,855
AF 148	Account 511	MX_511	758,656	681,505
AF 149	Account 512	MX_512	3,430,455	3,081,595
AF 150	Account 513	MX_513	605,885	544,270
AF 151	Account 514	MX_514	131,497	118,124
AF 152	Account 546	OX_546	345,436	310,307
AF 153	Account 547	OX_547	0	0
AF 154	Account 548	OX_548	678,743	609,718
AF 155	Account 549	OX_549	1,149,191	1,032,324
AF 156	Account 551	MX_551	205,449	184,556
AF 157	Account 552	MX_552	96,721	86,885
AF 158	Account 553	MX_553	2,120,441	1,904,803
AF 159	Account 554	MX_554	574,515	516,089
AF 160	Account 556	OX_556	1,262,938	1,134,504
AF 161	Account 555	OX_555	7,192,960	6,461,473
AF 162	Account 557	OX_557	0	0
AF 163	O&M Expense Production Operation	OX_PROD	9,178,631	8,245,211
AF 164	O&M Expense Production Maintenance	MX_PROD	8,981,108	8,067,775
AF 165	Salaries and Wages Production Operation	SALWAGPO	2,853,535	2,583,345
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	2,214,751	1,989,522
AF 167	Transmission Expense			
AF 168	Account 560	OX_560	206,625	187,969
AF 169	Account 561	OX_561	0	0
AF 170	Account 562	OX_562	0	0
AF 171	Account 563	OX_563	18,920	17,212
AF 172	Account 565	OX_565	0	0
AF 173	Account 566	OX_566	30,948	28,154
AF 174	Account 567	OX_567	0	0
AF 175	Account 568	MX_568	55	50
AF 176	Account 569	MX_569	0	0
AF 177	Account 570	MX_570	35,674	32,453
AF 178	Account 571	MX_571	18,125	16,488
AF 179	Account 573	MX_573	1,108	1,008
AF 180	O&M Accounts 561-567	OX_TRAN	49,869	45,366
AF 181	O&M Accounts 569-573	MX_TRAN	54,906	49,949
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	195,861	178,177
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	47,990	43,657
AF 184				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AF 185	ALLOCATION FACTOR TABLE CONTINUED			
AF 186	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AF 187	Distribution Expense			
AF 188	Account 580	OX_580	1,735,413	1,620,799
AF 189	Account 581	OX_581	641,549	599,687
AF 190	Account 582	OX_582	449,127	375,020
AF 191	Account 583	OX_583	486,016	461,010
AF 192	Account 584	OX_584	305,099	298,571
AF 193	Account 585	OX_585	1	1
AF 194	Account 586	OX_586	786,540	756,867
AF 195	Account 587	OX_587	22,761	21,902
AF 196	Account 588	OX_588	366,951	343,006
AF 197	Account 589	OX_589	17,727	16,570
AF 198	Account 590	MX_590	1,250	1,179
AF 199	Account 592	MX_592	287,790	240,304
AF 200	Account 593	MX_593	3,708,522	3,517,711
AF 201	Account 594	MX_594	234,388	229,373
AF 202	Account 595	MX_595	47,646	45,831
AF 203	Account 596	MX_596	56,846	54,502
AF 204	Account 597	MX_597	69,156	66,547
AF 205	Account 598	MX_598	94,932	88,738
AF 206	O&M Accounts 581-589	OX_DIST	3,075,771	2,872,633
AF 207	O&M Accounts 591-598	MX_DIST	4,499,279	4,243,005
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,438,842	1,343,815
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	779,113	734,736
AF 210				
AF 211	Account 902	OX_902	19,927	19,153
AF 212	Account 903	OX_903	1,208,197	1,161,267
AF 213	Account 904	OX_904	419,942	406,612
AF 214	O&M Accounts 902-905	OX_CA	2,251,837	2,167,350
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	594,100	571,810
AF 216				
AF 217	Account 908	OX_908	1,310,988	1,260,065
AF 218	Account 909	OX_909	12,439	11,956
AF 219	Account 910	OX_910	61,173	58,797
AF 220	O&M Accounts 908-910	OX_CS	1,384,601	1,330,818
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	510,055	490,243
AF 222				
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	8,634,247	7,915,304
AF 224	Total Salaries and Wages Expense	SALWAGES	12,051,965	11,048,440
AF 225				
AF 226				
AF 227				
AF 228				
AF 229				
AF 230				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AF 231	REVENUES AND BILLING DETERMINANTS			
AF 232				
AF 233	Base Rate Sales Revenue	SALESREV	134,872,015	124,169,353
AF 234	South Dakota	SREVSD	124,169,353	124,169,353
AF 235	Wyoming	SREVWY	8,288,835	0
AF 236	Montana	SREVMT	2,413,827	0
AF 237				
AF 238				
AF 239				
AF 240	Claimed Rate Sales Revenue	CLAIMREV	151,846,149	138,803,591
AF 241				
AF 242				
AF 243				
AF 244				
AF 245				
AF 246	<u>PRESENT REVENUES FROM SALES INPUT</u>			
AF 247				
AF 248	Total Sales of Electricity Revenues		134,872,015	124,169,353
AF 249				
AF 250	Sales of Electricity Revenues		134,872,015	124,169,353
AF 251				
AF 252				
AF 253				
AF 254	<u>BILLING DETERMINATE INPUTS</u>			
AF 255	Number of Customer Bills	SCH AF, LN 87	835,968	803,496
AF 256	Annual kWh Sales @ Meter	SCH AF, LN 52	1,696,490	1,483,798
AF 257	Annual kW - Billed		0	-
AF 258				
AF 259				
AF 260				
AF 261	<u>RATE OF RETURN</u>			
AF 262	Rate of Return (Equalized)	SCH AF, LN 262	8.48%	8.48%
AF 263				
AF 264				
AF 265				
AF 266	<u>PROPOSED REVENUES FROM SALES INPUT</u>			
AF 267	Annual kWh Sales - Proposed	SCH AF, LN 256	1,696,490	1,483,798
AF 268	Sales of Electricity Revenues - Proposed Total		152,035,636	138,803,636
AF 269	Sales of Electricity Revenues - Proposed		152,035,636	138,803,636
AF 270	Credit		0	0
AF 271	Credit	DPROD	0	0
AF 272				
AF 273				
AF 274				
AF 275				
AF 276				

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BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 1	ALLOCATION PROPORTIONS TABLE			
AP 2	DEMAND			
AP 3				
AP 4	DEMAND - PRODUCTION RELATED			
AP 5	Demand Production (12 CP)	DPROD	1.00000	0.89831
AP 6				
AP 7				
AP 8				
AP 9	DEMAND - TRANSMISSION RELATED			
AP 10	Demand Transmission (NCP)	DTRAN	1.00000	0.90971
AP 11				
AP 12				
AP 13				
AP 14				
AP 15				
AP 16				
AP 17				
AP 18				
AP 19				
AP 20	DEMAND - DISTRIBUTION RELATED (NCP)			
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.90971
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.90971
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.90971
AP 24				
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.90971
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.90971
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.90971
AP 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	1.00000	0.90971
AP 29				
AP 30				
AP 31				
AP 32				
AP 33				
AP 34				
AP 35				
AP 36				
AP 37				
AP 38				
AP 39				
AP 40				
AP 41				
AP 42				
AP 43				
AP 44				
AP 45				
AP 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
AP	47	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP	48				
AP	49	ENERGY			
AP	50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.87637
AP	51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.87637
AP	52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.87463
AP	53				
AP	51				
AP	55				
AP	56				
AP	57				
AP	58				
AP	59				
AP	60				
AP	61	CUSTOMER			
AP	62				
AP	63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.96116
AP	64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.96116
AP	65	Customer Dist. Primary Underground Lines	CDISTPJL	1.00000	0.96116
AP	66				
AP	67			0.00000	0.00000
AP	68			0.00000	0.00000
AP	69			0.00000	0.00000
AP	70			0.00000	0.00000
AP	71				
AP	72	369-Services	CSERVICE	1.00000	0.90971
AP	73	370-Meters	CMETERS	1.00000	0.96227
AP	74				
AP	75	902-Meter Reading	CMETRDG	1.00000	0.96116
AP	76	903-Customer Records and Collections	CUSTREC	1.00000	0.96116
AP	77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.96116
AP	78	908-Customer Assistance	CUSTASST	1.00000	0.96116
AP	79	909-Advertisement	CUSTADVT	1.00000	0.96116
AP	80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.96116
AP	81				
AP	82			0.00000	0.00000
AP	83				
AP	84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.93676
AP	85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.98020
AP	86				
AP	87	Number of Bills	CUSTBILLS	1.00000	0.96116
AP	88	Number of Customers	CUST	1.00000	0.96116
AP	89				
AP	90				
AP	91				
AP	92				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
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SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 93	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>			
AP 95				
AP 96	Plant			
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.91164
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.93136
AP 98	Rate Base	RATEBASE	1.00000	0.91149
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.91201
AP 101	Production Plant In Service	PRODPLT	1.00000	0.89831
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.90971
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.93475
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.93444
AP 105	General Plant in Service	GENLPLT	1.00000	0.91807
AP 106	Total Electric Plant in Service plus CUS	TOTPLTCUS	1.00000	0.81276
AP 107	Account 360	PLT_360	1.00000	0.95988
AP 108	Account 361	PLT_361	1.00000	0.98863
AP 109	Account 362	PLT_362	1.00000	0.83500
AP 110	Account 364	PLT_364	1.00000	0.94662
AP 111	Account 365	PLT_365	1.00000	0.95168
AP 112	Account 366	PLT_366	1.00000	0.98155
AP 113	Account 367	PLT_367	1.00000	0.97830
AP 114	Account 368	PLT_368	1.00000	0.96190
AP 115	Account 369	PLT_369	1.00000	0.97596
AP 116	Account 370	PLT_370	1.00000	0.95722
AP 117	Account 371	PLT_371	1.00000	0.96073
AP 118	Account 373	PLT_373	1.00000	0.95630
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.94855
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.97860
AP 121	Account 371&373	PLT_3713	1.00000	0.95877
AP 122				
AP 123	South Dakota	DPLTSD	1.00000	1.00000
AP 124	Wyoming	DPLTWY	1.00000	0.00000
AP 125	Montana	DPLTMT	1.00000	0.00000
AP 126				
AP 127				
AP 128				
AP 129				
AP 130				
AP 131				
AP 132				
AP 133				
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.91670
AP 135	Supervised O&M Expense excluding CUS	OMXFPPT	1.00000	0.91590
AP 136				
AP 137				
AP 138				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 140	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AP 141	Production Expense			
AP 142	Account 500	OX_500	1.00000	0.89831
AP 143	Account 501	OX_501	0.00000	0.00000
AP 144	Account 502	OX_502	1.00000	0.89831
AP 145	Account 505	OX_505	1.00000	0.89831
AP 146	Account 506	OX_506	1.00000	0.89831
AP 147	Account 510	MX_510	1.00000	0.89831
AP 148	Account 511	MX_511	1.00000	0.89831
AP 149	Account 512	MX_512	1.00000	0.89831
AP 150	Account 513	MX_513	1.00000	0.89831
AP 151	Account 514	MX_514	1.00000	0.89831
AP 152	Account 546	OX_546	1.00000	0.89831
AP 153	Account 547	OX_547	0.00000	0.00000
AP 154	Account 548	OX_548	1.00000	0.89831
AP 155	Account 549	OX_549	1.00000	0.89831
AP 156	Account 551	MX_551	1.00000	0.89831
AP 157	Account 552	MX_552	1.00000	0.89831
AP 158	Account 553	MX_553	1.00000	0.89831
AP 159	Account 554	MX_554	1.00000	0.89831
AP 160	Account 556	OX_556	1.00000	0.89831
AP 161	Account 555	OX_555	1.00000	0.89831
AP 162	Account 557	OX_557	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.89831
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.89831
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.89831
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.89831
AP 167	Transmission Expense			
AP 168	Account 560	OX_560	1.00000	0.90971
AP 169	Account 561	OX_561	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.90971
AP 172	Account 565	OX_565	0.00000	0.00000
AP 173	Account 566	OX_566	1.00000	0.90971
AP 174	Account 567	OX_567	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.90971
AP 176	Account 569	MX_569	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.90971
AP 178	Account 571	MX_571	1.00000	0.90971
AP 179	Account 573	MX_573	1.00000	0.90971
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.90971
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.90971
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.90971
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.90971
AP 184				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL BHP (c)	SOUTH DAKOTA (d)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED			
AP 186	INTERNALLY DEVELOPED ALLOCATION FACTORS			
AP 187	Distribution Expense			
AP 188	Account 580	OX_580	1.00000	0.93396
AP 189	Account 581	OX_581	1.00000	0.93475
AP 190	Account 582	OX_582	1.00000	0.83500
AP 191	Account 583	OX_583	1.00000	0.94855
AP 192	Account 584	OX_584	1.00000	0.97860
AP 193	Account 585	OX_585	1.00000	0.95877
AP 194	Account 586	OX_586	1.00000	0.96227
AP 195	Account 587	OX_587	1.00000	0.96227
AP 196	Account 588	OX_588	1.00000	0.93475
AP 197	Account 589	OX_589	1.00000	0.93475
AP 198	Account 590	MX_590	1.00000	0.94304
AP 199	Account 592	MX_592	1.00000	0.83500
AP 200	Account 593	MX_593	1.00000	0.94855
AP 201	Account 594	MX_594	1.00000	0.97860
AP 202	Account 595	MX_595	1.00000	0.96190
AP 203	Account 596	MX_596	1.00000	0.95877
AP 204	Account 597	MX_597	1.00000	0.96227
AP 205	Account 598	MX_598	1.00000	0.93475
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.93396
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.94304
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.93396
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.94304
AP 210				
AP 211	Account 902	OX_902	1.00000	0.96116
AP 212	Account 903	OX_903	1.00000	0.96116
AP 213	Account 904	OX_904	1.00000	0.96826
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.96248
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.96248
AP 216				
AP 217	Account 908	OX_908	1.00000	0.96116
AP 218	Account 909	OX_909	1.00000	0.96116
AP 219	Account 910	OX_910	1.00000	0.96116
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.96116
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.96116
AP 222				
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.91673
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.91673
AP 225				
AP 226				
AP 227				
AP 228				
AP 229				
AP 230				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
		(a)	(b)	(c)	(d)
AP	231	REVENUES AND BILLING DETERMINANTS			
AP	232				
AP	233	Base Rate Sales Revenue	SALESREV	1.00000	0.92065
AP	234	South Dakota	SREVSD	1.00000	1.00000
AP	235	Wyoming	SREVWY	1.00000	0.00000
AP	236	Montana	SREVMT	1.00000	0.00000
AP	237				
AP	238				
AP	239				
AP	240	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.91411
AP	241				
AP	242				
AP	243				
AP	244				
AP	245				
AP	246	PRESENT REVENUES FROM SALES INPUT			
AP	247				
AP	248	Total Sales of Electricity Revenues		1.00000	0.92065
AP	249				
AP	250	Sales of Electricity Revenues		1.00000	0.92065
AP	251				
AP	252				
AP	253				
AP	254				
AP	255				
AP	256				
AP	257				
AP	258				
AP	259				
AP	260				
AP	261				
AP	262				
AP	263				
AP	264				
AP	265				
AP	266				
AP	267				
AP	268				
AP	269				
AP	270				
AP	271				
AP	272				
AP	273				
AP	274				
AP	275				
AP	276				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS			
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS			
ADA 3				
ADA 4	Write-Offs - Test Period			
ADA 5	South Dakota	SREVSD	406,612	406,612
ADA 6	Wyoming	SREWWY	13,330	0
ADA 7	Montana	SREVMT	0	0
ADA 8				
ADA 9				
ADA 10				
ADA 11				
ADA 12				
ADA 13				
ADA 14				
ADA 15	Total Write-Offs	EXP_904	419,942	406,612
ADA 16				
ADA 17	Total Write-Offs	EXP_904	1,00000	0.96826
ADA 18				
ADA 19	Construction Advances			
ADA 20	South Dakota	DPLTSD	99%	99.4%
ADA 21	Wyoming	DPLTWY	1%	0%
ADA 22	Montana	DPLTMT	0%	0%
ADA 23				
ADA 24				
ADA 25				
ADA 26				
ADA 27	Customer Advances for Construction	CUSTADV	100%	99%
ADA 28				
ADA 29	Customer Advances for Construction	CUSTADV	1,00000	0.99400
ADA 30				
ADA 31				
ADA 32				
ADA 33				
ADA 34				
ADA 35				
ADA 36				
ADA 37				
ADA 38				
ADA 39				
ADA 40				
ADA 41				
ADA 42				
ADA 43				
ADA 44				
ADA 45				
ADA 46				

BLACK HILLS POWER, INC.
 PRO FORMA JURISDICTIONAL COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule N-1
 Page 34 of 34

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL BHP	SOUTH DAKOTA
	(a)	(b)	(c)	(d)
RRW 1	REVENUE REQUIREMENTS			
RRW 2				
RRW 3	PRESENT RATES			
RRW 4				
RRW 5	RATE BASE		665,358,973	542,701,964
RRW 6	NET OPER INC (PRESENT RATES)		48,486,982	36,508,872
RRW 7	RATE OF RETURN (PRES RATES)		7.29%	6.73%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.92
RRW 9	SALES REVENUE (PRE RATES)		134,872,015	124,169,353
RRW 10				
RRW 11				
RRW 12				
RRW 13				
RRW 14	CLAIMED RATE OF RETURN			
RRW 15				
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		56,422,441	46,021,127
RRW 18	SALES REVENUE REQ CLAIMED ROR		147,080,413	138,803,591
RRW 19	REVENUE DEFICIENCY SALES REV		12,208,398	14,634,238
RRW 20	PERCENT INCREASE REQUIRED		9.05%	9.27%
RRW 21	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 22				
RRW 23				
RRW 24				
RRW 25	PROPOSED REVENUES			
RRW 26				
RRW 27	PROPOSED SALES REVENUES		152,035,636	138,803,636
RRW 28	REVENUE DEFICIENCY SALES REV		17,163,621	14,634,283
RRW 29	PERCENT INCREASE PROPOSED		12.73%	9.27%
RRW 30	PROPOSED RATE OF RETURN		9.22%	8.48%
RRW 31	RETURN REQ FOR PROPOSED REV		61,377,664	46,021,171
RRW 32	ANNUAL BOOKED KWH SALES		1,696,490	1,483,798
RRW 33				
RRW 34				
RRW 35				
RRW 36				
RRW 37				
RRW 38				
RRW 39				
RRW 40				
RRW 41				
RRW 42				
RRW 43				
RRW 44				
RRW 45				
RRW 46				

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section O

20:10:13:98. Statement O – Allocated Cost of Service by South Dakota Customer Class. Statement O shall be provided with the initial application under this chapter for a rate increase greater than \$85,000, when a material change in rate structure is proposed, or when the commission so orders. Statement O shall compare the allocated cost of service provided pursuant to § 20:10:13:43 with the revenues under the proposed rates. If the amount of revenue under the proposed new rates differs significantly from allocated cost of service, including allowances for claimed return and income taxes, the filing public utility shall show the amounts available for return and taxes on income and shall show return expressed as a percentage of rate base allocated to the service concerned. If the filing public utility considers certain facilities as being devoted entirely to the service involved, it shall show, in addition to the overall cost of service, the cost of service related to such special facilities. The schedule described in § 20:10:13:100 shall be submitted as a part of statement O.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section O

20:10:13:99. Schedule O-1 -- Derivation of Increased Rates. If, after the initial rate filing under this chapter the commission orders it to be provided, schedule O-1 shall show the derivation of each of the increased rates. If the increased rates are predicated on costs as classified and allocated, all calculations involved in derivation of the rates shall be shown. If in computing the increased rates weight is given in whole or in part to value of service, competition, historical revenue pattern, or the like, it shall be indicated.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

Statement O
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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M 1	SUMMARY AT PRESENT RATES							
M 2								
M 3	DEVELOPMENT OF RETURN							
M 4								
M 5	OPERATING REVENUE	<u>Stmnt O Reference</u>						
M 6	Base Sales of Electricity	SCH I, LN 4	146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
M 7	Contract Revenues	SCH I, LN 5	47,361,753	18,031,389	14,075,760	14,410,449	275,846	568,310
M 8	Other Operating Revenue	SCH I, LN 15	10,484,739	4,772,679	2,720,409	2,670,951	173,007	147,693
M 9	TOTAL OPERATING REVENUE		204,570,622	79,884,057	63,654,710	55,988,105	2,335,368	2,708,381
M 10								
M 11	OPERATING EXPENSES							
M 12	Operation and Maintenance Expense	SCH H, LN 178	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
M 13	Depreciation Expense	SCH J, LN 28	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
M 14	Amortization Expense	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
M 15	Taxes Other Than Income Taxes	SCH L, LN 20	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
M 16	State Income Tax	SCH K, LN 10	0	0	0	0	0	0
M 17	Federal Income Tax	SCH K, LN 32	10,179,259	2,444,093	5,484,828	1,940,997	206,176	103,165
M 18	TOTAL OPERATING EXPENSES		170,914,362	68,824,482	49,166,079	48,782,427	1,787,436	2,353,938
M 19								
M 20	OPERATING INCOME (RETURN)		33,656,260	11,059,575	14,488,632	7,205,678	547,932	354,443
M 21								
M 22								
M 23	DEVELOPMENT OF RATE BASE							
M 24	Electric Plant in Service	SCH D-2, LN 116	815,555,892	340,290,794	231,691,970	223,376,690	9,530,592	10,665,845
M 25	Less: Accumulated Depreciation	SCH E, LN 27	293,640,287	121,410,972	83,443,819	81,211,213	3,712,585	3,861,698
M 26	Less: Amortization	SCH E, LN 29	2,835,303	1,079,446	842,643	862,679	16,513	34,022
M 27	Plus: Working Capital	SCH F, LN 9	13,019,866	5,087,115	3,692,110	3,909,993	147,181	183,468
M 28	Less: Other Rate Base Deductions	SCH F, LN 26	112,755,480	46,512,313	32,481,794	30,965,368	1,320,370	1,475,634
M 29								
M 30	TOTAL RATE BASE	SCH F, LN 29	419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
M 31								
M 32								
M 33	RATE OF RETURN (PRESENT)		8.03%	6.27%	12.21%	6.31%	11.84%	6.47%
M 34								
M 35	INDEX RATE OF RETURN (PRESENT)		1.00	0.78	1.52	0.79	1.48	0.81
M 36								
M 37								
M 38								
M 39								
M 40								
M 41								
M 42								
M 43								
M 44								
M 45								
M 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

Statement O
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M	47	EQUALIZED RETURN AT PROPOSED ROR							
M	48								
M	49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)							
M	50								
M	51	RATE BASE		419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
M	52								
M	53	RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
M	54								
M	55	RETURN (RATE BASE * ROR)		35,560,429	14,956,615	10,058,622	9,688,181	392,480	464,531
M	56								
M	57	LESS:							
M	58	OPERATING EXPENSES	<u>Stmnt O Reference</u>						
M	59	Operation and Maintenance Expense	SCH M, LN 12	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
M	60	Depreciation Expense	SCH M, LN 13	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
M	61	Amortization Expense	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
M	62	Taxes Other Than Income Taxes	SCH M, LN 15	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
M	63	State Income Tax	CALCULATED	0	0	0	0	0	0
M	64	Federal Income Tax	CALCULATED	11,204,581	4,542,499	3,099,438	3,277,729	122,471	162,443
M	65	TOTAL OPERATING EXPENSES		171,939,684	70,922,888	46,780,689	50,119,159	1,703,732	2,413,216
M	66								
M	67	EQUALS TOTAL COST OF SERVICE		207,500,113	85,879,503	56,839,311	59,807,341	2,096,212	2,877,747
M	68								
M	69	LESS:							
M	70	OTHER OPERATING REVENUES		57,846,492	22,804,068	16,796,168	17,081,400	448,853	716,002
M	71								
M	72	EQUALS:							
M	73	PROPOSED SALES OF ELECTRICITY @ EQUALIZED ROR		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
M	74								
M	75								
M	76	TOTAL COST OF SERVICE INCREASE/DECREASE		2,929,492	5,995,446	(6,815,399)	3,819,235	(239,156)	169,366
M	77								
M	78	BASE SALES OF ELECTRICITY		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
M	79	SALES OF ELECTRICITY FOR BASE ENERGY COST: ENERGY2		0	0	0	0	0	0
M	80	TOTAL CURRENT RETAIL REVENUES		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
M	81								
M	82	REVENUE INCREASE TO RETAIL REVENUES (%)		1.96%	9.51%	-17.02%	8.94%	-14.52%	7.83%
M	83								
M	84								
M	85								
M	86								
M	87								
M	88								
M	89								
M	90								
M	91								
M	92								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

Statement O
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M	93	RETURN AT PROPOSED RATES							
M	94								
M	95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS							
M	96								
M	97	OPERATING REVENUE							
M	98	Sales of Electricity	SCH AF, LN 272	149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
M	99	Contract Revenues	SCH I, LN 5	47,361,753	18,031,389	14,075,760	14,410,449	275,846	568,310
M	100	Other Operating Revenue	SCH I, LN 15	10,484,739	4,772,679	2,720,409	2,670,951	173,007	147,693
M	101	TOTAL OPERATING REVENUE		207,500,114	81,023,715	64,590,287	56,764,916	2,373,034	2,748,161
M	102								
M	103	OPERATING EXPENSES							
M	104	Operation and Maintenance Expense	SCH H, LN 178	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
M	105	Depreciation Expense	SCH J, LN 28	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
M	106	Amortization Expense	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
M	107	Taxes Other Than Income Taxes	SCH L, LN 20	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
M	108	State Income Tax	CALCULATED	0	0	0	0	0	0
M	109	Federal Income Tax	CALCULATED	11,204,581	2,842,973	5,812,280	2,212,881	219,359	117,088
M	110	TOTAL OPERATING EXPENSES		171,939,684	69,223,362	49,493,531	49,054,311	1,800,619	2,367,861
M	111								
M	112	OPERATING INCOME (RETURN) AT PROPOSED RATES		35,560,430	11,800,353	15,096,757	7,710,605	572,415	380,300
M	113								
M	114								
M	115	RATE BASE	SCH M, LN 30	419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
M	116								
M	117								
M	118	RATE OF RETURN		8.48%	6.69%	12.73%	6.75%	12.37%	6.94%
M	119								
M	120	INDEX RATE OF RETURN		1.00	0.79	1.50	0.80	1.46	0.82
M	121								
M	122								
M	123	PROPOSED TOTAL REVENUE INCREASE (\$)		2,929,492	1,139,658	935,577	776,811	37,666	39,780
M	124								
M	125	SALES OF ELECTRICITY		149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
M	126	SALES OF ELECTRICITY FOR BASE ENERGY COST: ENERGY2		0	0	0	0	0	0
M	127	TOTAL CURRENT RETAIL REVENUES		149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
M	128								
M	129	PROPOSED TOTAL REVENUE INCREASE (%)		1.96%	1.96%	1.96%	1.96%	1.96%	1.96%
M	130								
M	131								
M	132								
M	133								
M	134								
M	135								
M	136								
M	137								
M	138								

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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 1	DEVELOPMENT OF RATE BASE							
D-2 2								
D-2 3	ELECTRIC PLANT IN SERVICE							
D-2 4								
D-2 5	PRODUCTION PLANT							
D-2 6	Steam Plant							
D-2 7	310-Land & Land Rights	DPROD	299,710	114,104	89,073	91,191	1,746	3,596
D-2 8	311-Structures & Improve	DPROD	36,369,764	13,846,560	10,808,976	11,065,989	211,826	436,413
D-2 9	312-Boiler Plant Equipment	DPROD	214,947,494	81,834,002	63,881,700	65,400,661	1,251,903	2,579,228
D-2 10	313-Engines and Engine Driver Generator	DPROD	307,111	116,922	91,272	93,443	1,789	3,685
D-2 11	314-Turbogenerator Units	DPROD	112,704,235	42,908,333	33,495,334	34,291,777	656,415	1,352,376
D-2 12	315-Accessory Electric Equipment	DPROD	21,971,066	8,364,742	6,529,730	6,684,992	127,964	263,638
D-2 13	316-Misc Power Plant Equipment	DPROD	3,464,042	1,318,817	1,029,502	1,053,981	20,175	41,566
D-2 14	106-Completed Not Classified Production Plant	DPROD	3,259,185	1,240,825	968,619	991,651	18,982	39,108
D-2 15	Steam Plant Additions/Annualization	DPROD	0	0	0	0	0	0
D-2 16	Total Steam Plant		393,322,607	149,744,305	116,894,207	119,673,684	2,290,801	4,719,611
D-2 17								
D-2 18								
D-2 19	Other Production Plant							
D-2 20	340-Land & Land Rights	DPROD	2,430	925	722	739	14	29
D-2 21	341-Structures and Improvements	DPROD	464,267	176,754	137,979	141,260	2,704	5,571
D-2 22	342-Fuel Holders, Producers, & Access	DPROD	4,786,936	1,822,464	1,422,662	1,456,489	27,880	57,440
D-2 23	344-Generators	DPROD	62,107,843	23,645,465	18,458,250	18,897,145	361,730	745,253
D-2 24	345-Accessory Electric Equipment	DPROD	4,372,284	1,664,600	1,299,429	1,330,326	25,465	52,465
D-2 25	346-Misc Power Plant Equipment	DPROD	74,441	28,341	22,124	22,650	434	893
D-2 26	106-Completed Not Classified Oth Prod Plt	DPROD	493,075	187,722	146,540	150,025	2,872	5,917
D-2 27	Other Prod Plant Additions/Annualization	DPROD	0	0	0	0	0	0
D-2 28	Total Other Production Plant		72,148,380	27,526,270	21,487,706	21,848,609	418,227	867,567
D-2 29								
D-2 30	TOTAL PRODUCTION PLANT		465,623,884	177,270,575	138,381,912	141,872,318	2,711,900	5,587,179
D-2 31								
D-2 32								
D-2 33	TRANSMISSION PLANT							
D-2 34	350-Land & Land Rights	DTRAN	189,539	81,728	50,367	52,702	1,776	2,965
D-2 35	352-Structures & Improvements	DTRAN	58,802	25,355	15,626	16,350	551	920
D-2 36	353-Station Equipment	DTRAN	1,613,949	695,923	428,884	448,765	15,126	25,251
D-2 37	354-Tower and Fixtures	DTRAN	28,528	12,301	7,581	7,932	267	446
D-2 38	355-Poles & Fixtures	DTRAN	924,322	398,561	245,625	257,011	8,663	14,462
D-2 39	356-Overhead Conductors & Devices	DTRAN	970,537	418,488	257,906	269,862	9,096	15,185
D-2 40	359-Roads and Trails	DTRAN	6,295	2,714	1,673	1,750	59	98
D-2 41	106-Completed Not Classified Transmission Plt	DTRAN	0	0	0	0	0	0
D-2 42	Transmission Plant Additions/Annualization	DTRAN	0	0	0	0	0	0
D-2 43	TOTAL TRANSMISSION PLANT		3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
D-2 44								
D-2 45								
D-2 46								

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BLACK HILLS POWER, INC.
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2	47	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2	48								
D-2	49	DISTRIBUTION PLANT							
D-2	50	360-Land & Land Rights	DDISPSUB	2,022,060	871,897	537,334	562,242	18,951	31,636
D-2	51	361-Structures & Improvements	DDISPSUB	700,802	302,180	186,228	194,861	6,568	10,964
D-2	52	362-Station Equipment	DDISPSUB	58,163,248	25,079,554	15,466,058	16,172,518	545,118	910,001
D-2	53	364-Poles, Towers & Fixtures							
D-2	54	Primary - Demand	DDISTPOL	50,761,939	21,888,165	13,489,265	14,114,555	475,751	794,203
D-2	55	Secondary - Demand	DDISTSOL	13,420,561	6,460,375	3,981,408	2,603,947	140,420	234,412
D-2	56	Total Account 364		64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
D-2	57	365-Overhead Conductors & Devices							
D-2	58	Primary - Demand	DDISTPOL	33,938,217	14,633,903	9,018,600	9,436,653	318,076	530,985
D-2	59	Secondary - Demand	DDISTSOL	5,825,365	2,804,208	1,728,181	1,130,276	60,951	101,749
D-2	60	Total Account 365		39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
D-2	61	366-Underground Conduit							
D-2	62	Primary - Demand	DDISTPUL	2,378,767	1,025,706	632,124	661,425	22,294	37,217
D-2	63	Secondary - Demand	DDISTSUL	1,627,915	783,644	482,945	315,859	17,033	28,434
D-2	64	Total Account 366		4,006,682	1,809,350	1,115,069	977,284	39,327	65,652
D-2	65	367-Underground Conductors & Devices							
D-2	66	Primary - Demand	DDISTPUL	19,866,165	8,566,140	5,279,152	5,523,864	186,190	310,819
D-2	67	Secondary - Demand	DDISTSUL	18,934,938	9,114,879	5,617,329	3,673,883	198,117	330,729
D-2	68	Total Account 367		38,801,103	17,681,020	10,896,481	9,197,748	384,307	641,548
D-2	69	368-Line Transformers							
D-2	70	Demand	DDISTSUT	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2	71	Total Account 368		33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2	72	369-Services	CSERVICE	28,556,304	18,147,676	7,100,262	3,035,138	0	273,228
D-2	73	370-Meters	CMETERS	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
D-2	74	371-Installation on Customer Premises	CUSTPREM	2,091,882	0	0	0	2,091,882	0
D-2	75	373-Street Lighting & Signal Systems	CLIGHT	1,650,961	0	0	0	1,650,961	0
D-2	76	106 - Completed Not Classified Distribution Plant	DISTPLTXNC	3,943,533	1,838,108	1,055,409	905,030	85,820	59,166
D-2	77	Distribution Plant Additions/Annualization	DISTPLTXNC	0	0	0	0	0	0
D-2	78	TOTAL DISTRIBUTION PLANT		284,252,490	132,492,069	76,074,583	65,235,150	6,185,934	4,264,753
D-2	79								
D-2	80								
D-2	81								
D-2	82	TOTAL PROD, TRANS, & DIST PLANT		753,668,347	311,397,715	215,464,158	207,961,841	8,933,373	9,911,260
D-2	83								
D-2	84								
D-2	85								
D-2	86								
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D-2	91								
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BLACK HILLS POWER, INC.
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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2	93	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2	94								
D-2	95	GENERAL PLANT							
D-2	96	389-Land and Land Rights	SALWAGES	679,671	321,768	176,411	166,438	6,757	8,297
D-2	97	390-Structures and Improvements	SALWAGES	9,383,090	4,442,120	2,435,413	2,297,735	93,278	114,545
D-2	98	391-Office Furniture & Equipment	SALWAGES	6,513,002	3,083,370	1,690,472	1,594,907	64,746	79,508
D-2	99	392-Transportation Equipment	SALWAGES	6,123,398	2,898,924	1,589,349	1,499,500	60,873	74,752
D-2	100	393-Store Equipment	SALWAGES	264,386	125,165	68,622	64,743	2,628	3,228
D-2	101	394-Tools, Shop & Garage Equip.	SALWAGES	3,377,911	1,599,162	876,748	827,184	33,580	41,236
D-2	102	395-Laboratory Equipment	SALWAGES	291,661	138,077	75,702	71,422	2,899	3,560
D-2	103	396-Power Operated Equipment	SALWAGES	664,448	314,561	172,460	162,710	6,605	8,111
D-2	104	397-Communication Equipment	SALWAGES	6,511,084	3,082,462	1,689,974	1,594,437	64,727	79,484
D-2	105	398-Miscellaneous Equipment	SALWAGES	156,970	74,313	40,742	38,439	1,560	1,916
D-2	106	Rate Case Expenses	CLAIMREV	0	0	0	0	0	0
D-2	107	106-Completed Not Classified General Plant	SALWAGES	1,690,576	800,348	438,795	413,989	16,806	20,638
D-2	108	General Plant Additions/Annualization	SALWAGES	0	0	0	0	0	0
D-2	109	TOTAL GENERAL PLANT		35,656,198	16,880,270	9,254,687	8,731,504	354,462	435,275
D-2	110								
D-2	111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	21,856,324	10,347,168	5,672,883	5,352,185	217,276	266,813
D-2	112								
D-2	113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,375,022	1,665,642	1,300,243	1,331,159	25,481	52,497
D-2	114								
D-2	115								
D-2	116	TOTAL ELECTRIC PLANT IN SERVICE		815,555,892	340,290,794	231,691,970	223,376,690	9,530,592	10,665,845
D-2	117								
D-2	118								
D-2	119								
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
E 1	LESS: ACCUMULATED DEPRECIATION							
E 2								
E 3	PRODUCTION PLANT ACCUMULATED DEPRECIATION	PRODPLT	168,821,505	64,273,089	50,173,205	51,366,209	983,255	2,025,746
E 4								
E 5	TRANSMISSION PLANT ACCUMULATED DEPRECIATION	TRANPLT	715,447	308,495	190,120	198,933	6,705	11,194
E 6								
E 7	DISTRIBUTION PLANT ACCUMULATED DEPRECIATION							
E 8	360-Land & Land Rights	PLT_360	(41,188)	(17,760)	(10,945)	(11,453)	(386)	(644)
E 9	361-Structures & Improvements	PLT_361	157,880	68,077	41,954	43,899	1,480	2,470
E 10	362-Station Equipment	PLT_362	20,603,201	8,883,945	5,475,008	5,728,800	193,097	322,350
E 11	364-Poles, Towers & Fixtures	PLT_364	23,220,868	10,256,342	6,320,791	6,048,660	222,927	372,147
E 12	365-Overhead Conductors & Devices	PLT_365	13,358,550	5,858,322	3,610,374	3,549,953	127,334	212,567
E 13	366-Underground Conduit	PLT_366	491,301	221,863	136,730	119,835	4,822	8,050
E 14	367-Underground Conductors & Devices	PLT_367	14,751,188	6,721,872	4,142,564	3,496,749	146,104	243,900
E 15	368-Line Transformers	PLT_368	11,816,627	5,688,275	3,505,577	2,292,741	123,638	206,397
E 16	369-Services	PLT_369	9,662,701	6,140,696	2,402,542	1,027,011	0	92,453
E 17	370-Meters	PLT_370	(1,986,010)	(1,413,900)	(450,841)	(109,884)	(4,575)	(6,810)
E 18	371-Installation on Customer Premises	PLT_371	817,575	0	0	0	817,575	0
E 19	373-Street Lighting & Signal Systems	PLT_373	787,775	0	0	0	787,775	0
E 20	Accum Dep Adjustment	DISTPLT	0	0	0	0	0	0
E 21	TOTAL DISTRIBUTION PLANT ACCUMULATED DEPRECIATION		93,640,468	42,407,732	25,173,754	22,186,312	2,419,790	1,452,880
E 22								
E 23	GENERAL PLANT ACCUMULATED DEPRECIATION	GENLPLT	15,918,118	7,535,916	4,131,601	3,898,035	158,244	194,321
E 24								
E 25	OTHER UTILITY ACCUMULATED DEPRECIATION	SALWAGES	14,544,750	6,885,740	3,775,139	3,561,724	144,591	177,556
E 26								
E 27	TOTAL ACCUMULATED DEPRECIATION		293,640,287	121,410,972	83,443,819	81,211,213	3,712,585	3,861,698
E 28								
E 29	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	2,835,303	1,079,446	842,643	862,679	16,513	34,022
E 30								
E 31	NET ELECTRIC PLANT IN SERVICE		519,080,302	217,800,376	147,405,508	141,302,798	5,801,494	6,770,125
E 32								
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BLACK HILLS POWER, INC.
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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE							
F 2								
F 3	PLUS: ADDITIONS TO RATE BASE							
F 4	WORKING CAPITAL							
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,144,346)	(2,145,190)	(1,398,680)	(1,475,427)	(53,139)	(71,911)
F 6	Fuel Inventory	ENEFUEL	5,247,278	1,835,061	1,428,827	1,846,560	50,539	86,291
F 7	Materials and Supplies	TOTPLT	12,417,940	5,181,387	3,527,823	3,401,212	145,116	162,402
F 8	Prepayments	OMXFPP	498,993	215,856	134,140	137,647	4,666	6,685
F 9	TOTAL WORKING CAPITAL		13,019,866	5,087,115	3,692,110	3,909,993	147,181	183,468
F 10								
F 11	LESS: DEDUCTIONS TO RATE BASE							
F 12	Customer Advances for Construction	CUSTADV	1,165,985	285,097	650,142	212,141	8,487	10,119
F 13	Regulatory Assets - S&W Related	SALWAGES	(25,181,213)	(11,921,228)	(6,535,869)	(6,166,385)	(250,329)	(307,401)
F 14	Regulatory Assets - Plant Related	TOTPLT	(10,490,477)	(4,377,153)	(2,980,249)	(2,873,289)	(122,592)	(137,195)
F 15	Regulatory Assets - Decommissioning	PRODPLT	0	0	0	0	0	0
F 16	Regulatory Assets - Storm Atlas	OHDIST	0	0	0	0	0	0
F 17	Regulatory Liabilities - S&W Related	SALWAGES	39,057,621	18,490,563	10,137,537	9,564,446	388,276	476,798
F 18	Regulatory Liabilities - Plant Related	TOTPLT	670,557	279,790	190,499	183,662	7,836	8,770
F 19	Deferred Income Taxes and Credits							
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(7,008,326)	(2,924,225)	(1,991,001)	(1,919,545)	(81,899)	(91,655)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(21,380,641)	(10,121,971)	(5,549,418)	(5,235,700)	(212,547)	(261,006)
F 22	Deferred Income Tax - Customer (Debit)	CUST	(249,746)	(199,732)	(44,822)	(1,922)	(2,464)	(807)
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	132,904,619	55,454,468	37,756,987	36,401,912	1,553,124	1,738,127
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	3,267,102	1,546,703	847,987	800,049	32,479	39,883
F 25	Total Deferred Income Taxes and Credits		107,533,008	43,755,244	31,019,733	30,044,794	1,288,693	1,424,544
F 26	TOTAL DEDUCTIONS TO RATE BASE		112,755,480	46,512,313	32,481,794	30,965,368	1,320,370	1,475,634
F 27								
F 28								
F 29	TOTAL RATE BASE		419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F-3 1	CASH WORKING CAPITAL (LEAD LAG)							
F-3 2								
F-3 3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL							
F-3 4	Purchased Fuel (Coal, Gas, & Oil)	ENEFUEL	45,469	15,901	12,381	16,001	438	748
F-3 5	Coal Transportation	ENEFUEL	0	0	0	0	0	0
F-3 6	Natural Gas - Other Production	ENEFUEL	6,299	2,203	1,715	2,217	61	104
F-3 7	Purchased Power	OX_555	110,134	39,065	30,430	37,914	993	1,732
F-3 8	Transmission	TRANPLT	46,712	20,142	12,413	12,988	438	731
F-3 9	Labor	SALWAGES	30,127	14,262	7,819	7,377	299	368
F-3 10	Employee Benefits	SALWAGES	45	21	12	11	0	1
F-3 11	Service Company Charges	SALWAGES	81,425	38,548	21,134	19,939	809	994
F-3 12	Other O&M	OMXFPP	51,108	22,109	13,739	14,098	478	685
F-3 13	Wyodak Power Plant O&M	PRODPLT	9,006	3,429	2,676	2,740	52	108
F-3 14	TOTAL O&M		380,326	155,680	102,320	113,286	3,569	5,470
F-3 15								
F-3 16	TAXES OTHER THAN INCOME TAXES							
F-3 17	Property Taxes	TOTPLT	12,580	5,249	3,574	3,446	147	165
F-3 18	Unemployment Taxes (FUTA & SUTA)	SALWAGES	253	120	66	62	3	3
F-3 19	Montana Electric Energy	CLAIMREV	0	0	0	0	0	0
F-3 20	Wyoming Franchise Tax	CLAIMREV	0	0	0	0	0	0
F-3 21	South Dakota PUC	CLAIMREV	580	244	155	166	6	8
F-3 22	Wyoming PSC	CLAIMREV	0	0	0	0	0	0
F-3 23	FICA Taxes - Employer's	SALWAGES	7,517	3,559	1,951	1,841	75	92
F-3 24	TOTAL TAXES OTHER THAN INCOME TAXES		20,930	9,172	5,746	5,514	231	268
F-3 25								
F-3 26	Depreciation Expense	TOTPLT	131,271	54,773	37,293	35,955	1,534	1,717
F-3 27	Amortization Expense	PRODPLT	240	91	71	73	1	3
F-3 28	TOTAL DEPRECIATION/AMORTIZATION		131,511	54,864	37,364	36,027	1,535	1,720
F-3 29								
F-3 30	FEDERAL INCOME TAXES	CLAIMREV	36,942	15,570	9,885	10,547	407	534
F-3 31								
F-3 32	INTEREST EXPENSE	TOTPLT	44,249	18,463	12,571	12,119	517	579
F-3 33								
F-3 34	GRAND TOTAL		613,957	253,749	167,886	177,494	6,259	8,569
F-3 35								
F-3 36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)		(4,039,840)	(1,669,668)	(1,104,689)	(1,167,910)	(41,186)	(56,387)
F-3 37								
F-3 38	LESS: TAX COLLECTIONS AVAILABLE		(1,104,506)	(475,521)	(293,991)	(307,516)	(11,953)	(15,524)
F-3 39								
F-3 40	NET CASH WORKING CAPITAL REQUIREMENT		(5,144,346)	(2,145,190)	(1,398,680)	(1,475,427)	(53,139)	(71,911)
F-3 41								
F-3 42								
F-3 43								
F-3 44								
F-3 45								
F-3 46								

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BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH	LINE	DESCRIPTION	ALLOCATION	TOTAL	RESIDENTIAL	GENERAL	GS LARGE/	LIGHTING	WATER PUMP
NO.	NO.	(a)	BASIS	SOUTH	SERVICE	SERVICE	INDUSTRIAL	SERVICE	IRRIGATION
			(b)	DAKOTA	(d)	(e)	(h)	(i)	(j)
F-3	1								
F-3	2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED							
F-3	3								
F-3	4	<u>LAG/LEAD DAYS</u>							
F-3	5	REVENUE LAG DAYS		33.98					
F-3	6	EXPENSE LEAD DAYS		40.56					
F-3	7	NET DAYS		(6.58)					
F-3	8								
F-3	9	TAX COLLECTIONS AVAILABLE							
F-3	10	FICA Taxes (Employee Contribution)	SALWAGES	(65,187)	(30,860)	(16,919)	(15,963)	(648)	(796)
F-3	11	Federal Withholding Tax	SALWAGES	(127,307)	(60,270)	(33,043)	(31,175)	(1,266)	(1,554)
F-3	12	South Dakota Sales and Use Tax	CLAIMREV	(912,012)	(384,391)	(244,029)	(260,378)	(10,039)	(13,174)
F-3	13	Wyoming Sales and Use Tax	CLAIMREV	0	0	0	0	0	0
F-3	14	TOTAL TAX COLLECTIONS AVAILABLE		(1,104,506)	(475,521)	(293,991)	(307,516)	(11,953)	(15,524)
F-3	15								
F-3	16								
F-3	17								
F-3	18								
F-3	19								
F-3	20								
F-3	21								
F-3	22								
F-3	23								
F-3	24								
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F-3	27								
F-3	28								
F-3	29								
F-3	30								
F-3	31								
F-3	32								
F-3	33								
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F-3	37								
F-3	38								
F-3	39								
F-3	40								
F-3	41								
F-3	42								
F-3	43								
F-3	44								
F-3	45								
F-3	46								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
1	OPERATING REVENUES							
2								
3	SALES REVENUES							
4	Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
5	Contract Revenues	DPROD	47,361,753	18,031,389	14,075,760	14,410,449	275,846	568,310
6	TOTAL SALES OF ELECTRICITY		194,085,883	75,111,378	60,934,302	53,317,154	2,162,361	2,560,689
7								
8	OTHER OPERATING REVENUES							
9	Unbilled and Cost Adjustment Revenue	CLAIMREV	5,614,073	2,366,198	1,502,170	1,602,812	61,799	81,095
10	Demand Side Management Revenue	SREVDSM	(968,002)	(434,202)	(290,340)	(215,821)	(10,468)	(17,171)
11	450-Forfeited Discounts	OX_904	258,273	241,978	15,224	0	1,071	0
12	451-Miscellaneous Service Revenues	DISTPLT	455,894	212,495	122,011	104,626	9,921	6,840
13	454-Rent from Electric Property	TDPLT	5,124,501	2,386,210	1,371,344	1,179,334	110,684	76,928
14	456-Other Electric Revenues - Transmission	TRANPLT	0	0	0	0	0	0
15	TOTAL OTHER OPERATING REV		10,484,739	4,772,679	2,720,409	2,670,951	173,007	147,693
16								
17	TOTAL OPERATING REVENUES		204,570,622	79,884,057	63,654,710	55,988,105	2,335,368	2,708,381
18								
19								
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BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 1								
H 2	OPERATION & MAINTENANCE EXPENSE							
H 3								
H 4								
H 5	PRODUCTION EXPENSE							
H 6								
H 7	Steam Production Operation							
H 8	500-Supervision & Engineering	SALWAGPO	1,625,149	578,538	450,715	556,233	14,400	25,263
H 9	501-Fuel	ENEFUEL	17,843,849	6,240,292	4,858,858	6,279,397	171,861	293,441
H 10	502-Steam Expense	DPROD	2,520,773	959,699	749,166	766,979	14,682	30,248
H 11	505-Electric Expense	DPROD	1,175,517	447,538	349,360	357,667	6,846	14,105
H 12	506-Miscellaneous Steam Power Expense	DPROD	803,766	306,007	238,877	244,557	4,681	9,645
H 13	507-Rent	DPROD	2,161,083	822,759	642,267	657,539	12,587	25,932
H 14	509-Allowances	DPROD	0	0	0	0	0	0
H 15	Total Steam Production Operation		26,130,138	9,354,833	7,289,242	8,862,371	225,057	398,634
H 16								
H 17	Steam Production Maintenance							
H 18	510-Supervision & Engineering	SALWAGPM	1,306,777	497,511	388,370	397,604	7,611	15,680
H 19	511-Maintenance of Structures	DPROD	736,865	280,536	218,994	224,201	4,292	8,842
H 20	512-Maintenance of Boilers	DPROD	3,194,346	1,216,139	949,349	971,923	18,605	38,330
H 21	513-Maintenance of Electric Plant	DPROD	707,840	269,486	210,368	215,370	4,123	8,494
H 22	514-Maintenance of Miscellaneous Steam Plant	DPROD	139,021	52,928	41,317	42,299	810	1,668
H 23	Total Steam Production Maintenance		6,084,849	2,316,601	1,808,397	1,851,397	35,440	73,014
H 24								
H 25	Total Steam Production Expense		32,214,986	11,671,434	9,097,639	10,713,768	260,497	471,648
H 26								
H 27	Other Production Operation							
H 28	546-Operation Supervision and Engineering	SALWAGPO	221,472	78,842	61,423	75,802	1,962	3,443
H 29	547-Fuel	ENEFUEL	2,299,180	804,061	626,064	809,100	22,144	37,810
H 30	548-Generation Expense	DPROD	486,733	185,307	144,656	148,095	2,835	5,840
H 31	549-Miscellaneous Other Power Generation	DPROD	124,211	47,289	36,915	37,793	723	1,490
H 32	550-Rents	DPROD	204,285	77,775	60,713	62,156	1,190	2,451
H 33	Total Other Production Operation		3,335,881	1,193,274	929,770	1,132,947	28,855	51,035
H 34								
H 35	Other Production Maintenance							
H 36	551-Supervision & Engineering	SALWAGPM	178,726	68,044	53,117	54,380	1,041	2,145
H 37	552-Structures	DPROD	6,494	2,472	1,930	1,976	38	78
H 38	553-Maintenance of Generating and Electric Plant	DPROD	959,437	365,273	285,142	291,922	5,588	11,513
H 39	554-Maintenance of Miscellaneous Other Power	DPROD	80,278	30,563	23,858	24,426	468	963
H 40	556-System Control and Load Dispatching	DPROD	1,266,138	482,039	376,292	385,239	7,374	15,193
H 41	557-Other Expenses	DPROD	1,797	684	534	547	10	22
H 42	Total Other Production Maintenance		2,492,869	949,076	740,873	758,489	14,519	29,913
H 43								
H 44	Total Other Production Expense		5,828,750	2,142,350	1,670,642	1,891,436	43,374	80,948
H 45								
H 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 47	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 48								
H 49								
H 50	PRODUCTION EXPENSE (CONT.)							
H 51								
H 52	Other Power Supply							
H 53	555 - Purchased Power - Energy	ENERGY1	33,737,640	11,798,615	9,186,717	11,872,553	324,941	554,814
H 54	555 - Purchased Power - Capacity	DPROD	6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
H 55	Total Other Power Supply		40,199,113	14,258,603	11,107,046	13,838,543	362,574	632,348
H 56								
H 57	TOTAL PRODUCTION EXPENSE		78,242,849	28,072,387	21,875,327	26,443,747	666,445	1,184,944
H 58								
H 59								
H 60	TRANSMISSION EXPENSES							
H 61								
H 62	Operation							
H 63	560-Supervision & Engineering	SALWAGTO	70,693	30,482	18,786	19,656	663	1,106
H 64	561-Load Dispatch	TRANPLT	0	0	0	0	0	0
H 65	562-Station Equipment	TRANPLT	0	0	0	0	0	0
H 66	563-Overhead Lines	TRANPLT	17,212	7,422	4,574	4,786	161	269
H 67	565-Transmission of Electricity by Others	TRANPLT	17,049,706	7,351,705	4,530,718	4,740,737	159,793	266,753
H 68	566-Miscellaneous	TRANPLT	28,154	12,140	7,482	7,828	264	440
H 69	567-Rents	TRANPLT	0	0	0	0	0	0
H 70	Total Transmission Operation		17,165,765	7,401,748	4,561,559	4,773,008	160,881	268,569
H 71								
H 72	Maintenance							
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	50	22	13	14	0	1
H 74	569-Maintenance of Structures	TRANPLT	0	0	0	0	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	25,658	11,064	6,818	7,134	240	401
H 76	571-Maintenance of Overhead Lines	TRANPLT	16,488	7,110	4,381	4,585	155	258
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0	0	0	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,008	435	268	280	9	16
H 79	Total Transmission Maintenance		43,204	18,629	11,481	12,013	405	676
H 80								
H 81	TOTAL TRANSMISSION EXPENSE		17,208,970	7,420,378	4,573,040	4,785,021	161,286	269,245
H 82								
H 83								
H 84								
H 85								
H 86								
H 87								
H 88								
H 89								
H 90								
H 91								
H 92								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H	93	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H	94								
H	96	DISTRIBUTION EXPENSES							
H	97	Operation							
H	98	580-Supervision	SALWAGDO	1,317,256	698,405	338,730	250,731	13,695	15,696
H	99	581-Load Dispatch	DISTPLT	276,452	128,856	73,987	63,445	6,016	4,148
H	100	582-Station Equipment	PLT_362	375,020	161,706	99,656	104,276	3,515	5,867
H	101	583-Overhead Lines	OHDIST	461,010	203,068	125,147	121,013	4,414	7,368
H	102	584-Underground Lines	UGDIST	298,571	135,939	83,777	70,968	2,955	4,932
H	103	585-Street Lighting	PLT_3713	1	0	0	0	1	0
H	104	586-Metering	CMETERS	756,867	538,836	171,815	41,877	1,744	2,595
H	105	587-Customer Installations	CMETERS	21,902	15,593	4,972	1,212	50	75
H	106	588-Miscellaneous	DISTPLT	341,764	159,299	91,466	78,434	7,438	5,128
H	107	589-Rents	DISTPLT	16,510	7,696	4,419	3,789	359	248
H	108	Total Distribution Operation		3,865,353	2,049,396	993,969	735,744	40,187	46,057
H	109								
H	110	Maintenance							
H	111	590-Supervision	SALWAGDM	1,179	519	315	299	27	18
H	112	591-Structures	DISTPLT	0	0	0	0	0	0
H	113	592-Station Equipment	PLT_362	240,304	103,617	63,857	66,817	2,252	3,760
H	114	593-Overhead Lines	OHDIST	3,281,381	1,445,398	890,771	861,349	31,417	52,446
H	115	594-Underground Lines	UGDIST	229,373	104,433	64,360	54,520	2,270	3,789
H	116	595-Transformers	PLT_368	45,831	22,062	13,596	8,892	480	801
H	117	596-Street Lighting	PLT_3713	54,502	0	0	0	54,502	0
H	118	597-Metering	CMETERS	66,547	47,377	15,107	3,682	153	228
H	119	598-Miscellaneous	DISTPLT	88,416	41,211	23,663	20,291	1,924	1,327
H	120	Total Distribution Maintenance		4,007,532	1,764,617	1,071,670	1,015,851	93,025	62,368
H	121								
H	122	TOTAL DISTRIBUTION EXPENSES		7,872,884	3,814,014	2,065,640	1,751,594	133,211	108,425
H	123								
H	124	TOTAL OPER & MAINT EXP (PROD, TRAN, & DIST)		103,324,704	39,306,779	28,514,007	32,980,362	960,942	1,562,614
H	125								
H	126								
H	127								
H	128								
H	129								
H	130								
H	131								
H	132								
H	133								
H	134								
H	135								
H	136								
H	137								
H	138								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 139	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 140								
H 141								
H 142	CUSTOMER ACCOUNTS EXPENSES							
H 143	901-Supervision	SALWAGCA	52,082	42,849	8,299	334	461	140
H 144	902-Meter Reading	CMETRDG	19,153	15,436	3,464	148	43	62
H 145	903-Customer Records and Collection Expense	CUSTREC	1,527,862	1,221,892	274,206	11,756	15,073	4,935
H 146	904-Uncollectible Accounts	EXP_904	426,884	399,951	25,162	0	1,771	0
H 147	905-Miscellaneous CA	CUSTCAM	580,318	464,103	104,150	4,465	5,725	1,874
H 148	TOTAL CUSTOMER ACCTS EXPENSE		2,606,300	2,144,232	415,281	16,704	23,073	7,011
H 149								
H 150								
H 151	CUSTOMER SERVICE EXPENSES							
H 152	907-Supervision	SALWAGCS	196,095	156,825	35,193	1,509	1,935	633
H 153	908-Customer Assistance	CUSTASST	1,123,739	898,699	201,678	8,647	11,086	3,629
H 154	909-Advertisement	CUSTADVT	11,956	9,562	2,146	92	118	39
H 155	910-Miscellaneous CS	CUSTCSM	67,942	54,336	12,194	523	670	219
H 156	TOTAL CUSTOMER SERVICE EXPENSE		1,399,732	1,119,422	251,211	10,770	13,809	4,521
H 157								
H 158	SALES EXPENSES TOTAL	SALESREV	27,285	10,615	8,714	7,235	351	371
H 159								
H 160	TOTAL OPER & MAINT EXCL A&G		107,358,021	42,561,047	29,189,212	33,015,072	998,174	1,574,516
H 161								
H 162	ADMINISTRATIVE & GENERAL EXPENSE							
H 163	920-Administrative Salaries	SALWAGES	14,150,445	6,699,069	3,672,796	3,465,166	140,671	172,742
H 164	921-Office Supplies & Expense	SALWAGES	3,093,663	1,464,595	802,971	757,578	30,754	37,766
H 165	922-A&G Expense Transferred	SALWAGES	(40,130)	(18,998)	(10,416)	(9,827)	(399)	(490)
H 166	923-Outside Services	SALWAGES	2,261,137	1,070,462	586,886	553,708	22,478	27,603
H 167	xxx-Rate Case Expenses	CLAIMREV	0	0	0	0	0	0
H 168	924-Property Insurance	TOTPLT	726,291	303,045	206,333	198,928	8,487	9,498
H 169	925-Injuries and Damages	SALWAGES	2,371,470	1,122,696	615,523	580,727	23,575	28,950
H 170	926-Pensions & Benefits	SALWAGES	195,865	92,726	50,837	47,963	1,947	2,391
H 171	928-Regulatory Commission	CLAIMREV	495,274	208,746	132,522	141,400	5,452	7,154
H 172	930.1-General Advertising	SALWAGES	231,083	109,399	59,978	56,588	2,297	2,821
H 173	930.2-Miscellaneous General	SALWAGES	1,135,341	537,490	294,682	278,023	11,287	13,860
H 174	931-Rents	GENLPLT	513,506	243,103	133,282	125,747	5,105	6,269
H 175	932-Maintenance of General Plant	GENLPLT	1,170,790	554,273	303,883	286,704	11,639	14,293
H 176	TOTAL A&G EXPENSE		26,304,736	12,386,604	6,849,276	6,482,704	263,294	322,857
H 177								
H 178	TOTAL OPERATION & MAINTENANCE EXPENSES		133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
H 179								
H 180								
H 181								
H 182								
H 183								
H 184								

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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
J 1	DEPRECIATION/AMORTIZATION EXPENSE							
J 2								
J 3	PRODUCTION PLANT EXPENSE	PRODPLT	12,025,060	4,578,136	3,573,809	3,658,786	70,037	144,293
J 4								
J 5	TRANSMISSION PLANT EXPENSE	TRANPLT	18,673	8,052	4,962	5,192	175	292
J 6								
J 7	DISTRIBUTION PLANT EXPENSE							
J 8	360-Land & Land Rights	PLT_360	0	0	0	0	0	0
J 9	361-Structures & Improvements	PLT_361	19,355	8,346	5,143	5,382	181	303
J 10	362-Station Equipment	PLT_362	1,490,658	642,761	396,121	414,483	13,971	23,322
J 11	364-Poles, Towers & Fixtures	PLT_364	1,772,592	782,930	482,505	461,732	17,017	28,408
J 12	365-Overhead Conductors & Devices	PLT_365	1,098,191	481,606	296,805	291,837	10,468	17,475
J 13	366-Underground Conduit	PLT_366	110,657	49,971	30,796	26,991	1,086	1,813
J 14	367-Underground Conductors & Devices	PLT_367	1,071,609	488,314	300,939	254,023	10,614	17,718
J 15	368-Line Transformers	PLT_368	930,162	447,760	275,946	180,476	9,732	16,247
J 16	369-Services	PLT_369	788,668	501,203	196,095	83,824	0	7,546
J 17	370-Meters	PLT_370	184,772	131,545	41,945	10,223	426	634
J 18	371-Installation on Customer Premises	PLT_371	57,774	0	0	0	57,774	0
J 19	373-Street Lighting & Signal Systems	PLT_373	45,596	0	0	0	45,596	0
J 20	Dep Adj for SD Distribution Additions	DISTPLT	0	0	0	0	0	0
J 21	Distribution Plant Annualization	DISTPLT	108,913	50,765	29,148	24,995	2,370	1,634
J 22	TOTAL DISTRIBUTION PLANT EXPENSE		7,678,946	3,585,199	2,055,444	1,753,967	169,235	115,100
J 23								
J 24	GENERAL PLANT EXPENSE	GENLPLT	1,301,463	616,136	337,799	318,703	12,938	15,888
J 25								
J 26	OTHER UTILITY DEPRECIATION EXPENSE	SALWAGES	1,824,951	863,964	473,672	446,895	18,142	22,278
J 27								
J 28	TOTAL DEPRECIATION EXPENSE		22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
J 29								
J 30	PLANT ACQUISITION ADJUSTMENT	SALWAGES	88,874	42,074	23,067	21,763	884	1,085
J 31								
J 32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE		22,937,967	9,693,561	6,468,754	6,205,306	271,411	298,936
J 33								
J 34								
J 35								
J 36								
J 37								
J 38								
J 39								
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J 46								

BLACK HILLS POWER, INC.
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FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
L 1	OTHER OPERATING EXPENSES							
L 2								
L 3	TAXES OTHER THAN INCOME TAXES							
L 4	Federal Taxes							
L 5	FICA Tax	SALWAGES	2,594,431	1,228,249	673,393	635,325	25,792	31,672
L 6	Unemployment Tax	SALWAGES	19,149	9,065	4,970	4,689	190	234
L 7								
L 8	State Taxes							
L 9	Unemployment Tax	SALWAGES	73,096	34,605	18,972	17,900	727	892
L 10	Montana Electric Energy Tax	CLAIMREV	0	0	0	0	0	0
L 11	Wyoming Franchise Taxes	CLAIMREV	0	0	0	0	0	0
L 12	South Dakota PUC Tax	CLAIMREV	211,595	89,182	56,617	60,410	2,329	3,056
L 13	Wyoming Sales Tax	CLAIMREV	0	0	0	0	0	0
L 14								
L 15	Local Taxes							
L 16	Property	TOTPLT	4,043,632	1,687,206	1,148,759	1,107,531	47,254	52,883
L 17								
L 18	TOIT - Payroll Loading & Other	SALWAGES	(2,807,524)	(1,329,131)	(728,702)	(687,507)	(27,910)	(34,273)
L 19								
L 20	TOTAL TAXES OTHER THAN INCOME		4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
L 21								
L 22								
L 23								
L 24								
L 25								
L 26								
L 27								
L 28								
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L 46								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K 1	DEVELOPMENT OF INCOME TAXES							
K 2								
K 3	TOTAL OPERATING REVENUES	SCH I, LN 17	204,570,622	79,884,057	63,654,710	55,988,105	2,335,368	2,708,381
K 4								
K 5	LESS:							
K 6	OPERATION & MAINTAINENCE EXPENSE	SCH H, LN 178	133,662,757	54,967,651	36,038,488	39,497,776	1,261,468	1,897,374
K 7	DEPRECIATION EXPENSE	SCH J, LN 28	22,849,093	9,651,486	6,445,686	6,183,543	270,527	297,851
K 8	AMORTIZATION EXPENSE	SCH J, LN 30	88,874	42,074	23,067	21,763	884	1,085
K 9	TAXES OTHER THAN INCOME TAXES	SCH L, LN 20	4,134,379	1,719,177	1,174,009	1,138,347	48,382	54,464
K 10	MT STATE INCOME TAXES	CLAIMREV	0	0	0	0	0	0
K 11								
K 12	NET OPERATING INCOME BEFORE TAXES		43,835,519	13,503,668	19,973,460	9,146,675	754,108	457,608
K 13	AFUDC	TOTPLT	3,579,834	1,493,686	1,016,998	980,499	41,834	46,817
K 14	Interest Expense (Rate Base * Wtd Cost of Debt)		(17,582,508)	(7,395,152)	(4,973,387)	(4,790,227)	(194,058)	(229,683)
K 15	Subtotal		29,832,846	7,602,202	16,017,070	5,336,947	601,884	274,742
K 16								
K 17	Tax Adjustments:							
K 18	Permanent - Salaries & Wages	SALWAGES	(845,650)	(400,346)	(219,491)	(207,083)	(8,407)	(10,323)
K 19	Permanent - Plant	TOTPLT	193,260	80,638	54,904	52,933	2,258	2,527
K 20	Temporary - Salaries & Wages	SALWAGES	(2,646,608)	(1,252,951)	(686,936)	(648,102)	(26,310)	(32,309)
K 21	Temporary - Plant	TOTPLT	(23,003,050)	(9,598,026)	(6,534,956)	(6,300,421)	(268,814)	(300,834)
K 22	Temporary - Customer	CUST	(467,564)	(373,930)	(83,914)	(3,598)	(4,613)	(1,510)
K 23	Temporary - Other	CLAIMREV	16,217,154	6,835,144	4,339,259	4,629,979	178,515	234,257
K 24	Subtotal		(10,552,458)	(4,709,470)	(3,131,135)	(2,476,292)	(127,370)	(108,192)
K 25								
K 26	TAXABLE INCOME (NOL)		19,280,387	2,892,732	12,885,935	2,860,656	474,514	166,550
K 27								
K 28	Federal Income Tax @ 35%		6,748,136	1,012,456	4,510,077	1,001,229	166,080	58,293
K 29								
K 30	Other Tax Adjustments	TOTPLT	3,431,123	1,431,637	974,751	939,768	40,096	44,872
K 31								
K 32	TOTAL FEDERAL INCOME TAX		10,179,259	2,444,093	5,484,828	1,940,997	206,176	103,165
K 33								
K 34	TOTAL INCOME TAXES		10,179,259	2,444,093	5,484,828	1,940,997	206,176	103,165
K 35								
K 36								
K 37								
K 38								
K 39								
K 40								
K 41								
K 42								
K 43								
K 44								
K 45								
K 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K	47							
K	48							
K	49							
K	50							
K	51							
K	52	TAX RATES						
K	53	STATE TAX RATE	0.00%					
K	54	FEDERAL TAX RATE - CURRENT	35.00%					
K	55							
K	56							
K	57							
K	58							
K	59	WEIGHTED COST OF DEBT	4.19%					
K	60							
K	61							
K	62							
K	63							
K	64							
K	65							
K	66							
K	67							
K	68							
K	69							
K	70							
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K	88							
K	89							
K	90							
K	91							
K	92							

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H-1 1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR							
H-1 2								
H-1 3	PRODUCTION SALARIES & WAGES EXPENSE							
H-1 4	Operation	OX_PROD	2,990,884	1,064,726	829,485	1,023,677	26,502	46,494
H-1 5	Maintenance	MX_PROD	1,785,168	679,642	530,546	543,161	10,397	21,421
H-1 6	TOTAL PRODUCTION		4,776,051	1,744,368	1,360,031	1,566,838	36,899	67,915
H-1 7								
H-1 8	TRANSMISSION SALARIES & WAGES EXPENSE							
H-1 9	Operation	OX_TRAN	209,290	90,244	55,616	58,194	1,962	3,274
H-1 10	Maintenance	MX_TRAN	49,176	21,204	13,068	13,674	461	769
H-1 11	TOTAL TRANSMISSION		258,466	111,449	68,684	71,868	2,422	4,044
H-1 12								
H-1 13	DISTRIBUTION SALARIES & WAGES EXPENSE							
H-1 14	Operation	OX_DIST	1,540,819	816,937	396,219	293,264	16,019	18,359
H-1 15	Maintenance	MX_DIST	816,260	359,420	218,279	206,910	18,947	12,703
H-1 16	TOTAL DISTRIBUTION		2,357,079	1,176,357	614,499	500,194	34,967	31,063
H-1 17								
H-1 18	CUSTOMER ACCOUNTS SAL & WAGES EXP	OX_CA	693,907	570,885	110,565	4,447	6,143	1,867
H-1 19								
H-1 20	CUSTOMER SERVICE SAL & WAGES EXP	OX_CS	688,769	550,836	123,614	5,300	6,795	2,225
H-1 21								
H-1 22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP							
H-1 23	Operation	SALWAGXAG	343,811	162,766	89,237	84,193	3,418	4,197
H-1 24	Maintenance	SALWAGXAG	11,877	5,623	3,083	2,908	118	145
H-1 25	TOTAL ADMINISTRATIVE & GENERAL		355,688	168,389	92,320	87,101	3,536	4,342
H-1 26								
H-1 27	TOT OPER & MAINTENANCE LABOR		9,129,960	4,322,283	2,369,712	2,235,748	90,762	111,455
H-1 28								
H-1 29								
H-1 30								
H-1 31								
H-1 32								
H-1 33								
H-1 34								
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H-1 44								
H-1 45								
H-1 46								

BLACK HILLS POWER, INC.
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 1	ALLOCATION FACTOR TABLE							
AF 2	DEMAND							
AF 3								
AF 4	DEMAND - PRODUCTION RELATED							
AF 5	Demand Production (A&E)	DPROD	0.9923	0.3778	0.2949	0.30192	0.0058	0.0119
AF 6								
AF 6								
AF 6								
AF 9	DEMAND - TRANSMISSION RELATED							
AF 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	381.69	165	101	106	4	6
AF 11								
AF 12								
AF 13								
AF 15								
AF 16								
AF 17								
AF 18								
AF 19								
AF 20	DEMAND - DISTRIBUTION RELATED (Calculated Maximum Demand)							
AF 21	Demand Distribution Primary Substation	DDISPSUB	381.69	165	101	106	4	5.97
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	381.69	165	101	106	4	6
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	381.69	165	101	106	4	6
AF 24								
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	341.90	165	101	66	4	6
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	341.90	165	101	66	4	6
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	341.90	165	101	66	4	6
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	341.90	165	101	66	4	6
AF 29								
AF 30								
AF 31								
AF 32								
AF 33								
AF 34								
AF 35								
AF 36								
AF 37								
AF 38								
AF 39								
AF 40								
AF 41								
AF 42								
AF 43								
AF 44								
AF 45								
AF 46								

BLACK HILLS POWER, INC.
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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF	47	ALLOCATION FACTOR TABLE CONTINUED							
AF	48								
AF	49	ENERGY							
AF	50	Energy @ Generation with losses (kWh)	ENEFUEL	1,605,517,725	561,476,324	437,180,456	564,994,885	15,463,378	26,402,681
AF	51	Energy @ Generation with losses(kWh)	ENERGY1	1,605,517,725	561,476,324	437,180,456	564,994,885	15,463,378	26,402,681
AF	52	Energy @ Meter (kWh Sales)	ENERGY2	1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
AF	53								
AF	54		Secondary	8.114%					
AF	55		Primary	5.042%					
AF	56		Subtransmission	3.754%					
AF	57								
AF	58								
AF	59								
AF	60								
AF	61	CUSTOMER							
AF	62								
AF	63	Customer Dist. Primary Substation	CDISPSUB	65,583	52,450	11,770	504	647	212
AF	64	Customer Dist. Primary Overhead Lines	CDISTPOL	64,936	52,450	11,770	504	0	212
AF	65	Customer Dist. Primary Underground Lines	CDISTPUL	64,936	52,450	11,770	504	0	212
AF	66								
AF	67								
AF	68								
AF	69								
AF	70								
AF	71								
AF	72	369-Services	CSERVICE	624	397	155	66	-	6
AF	73	370-Meters	CMETERS	15,336,942	10,918,828	3,481,618	848,577	35,332	52,587
AF	74								
AF	75	902-Meter Reading	CMETRDG	780,982	629,400	141,244	6,044	1,752	2,542
AF	76	903-Customer Records and Collections	CUSTREC	787,006	629,400	141,244	6,056	7,764	2,542
AF	77	905-Miscellaneous Customer Accounts	CUSTCAM	65,584	52,450	11,770	505	647	212
AF	78	908-Customer Assistance	CUSTASST	65,584	52,450	11,770	505	647	212
AF	79	909-Advertisement	CUSTADVT	65,584	52,450	11,770	505	647	212
AF	80	910-Miscellaneous Customer Service	CUSTCSM	65,584	52,450	11,770	505	647	212
AF	81								
AF	82								
AF	83								
AF	84	371-Installation on Customer Premises	CUSTPREM	404	0	0	0	404	0
AF	85	373-Street Lighting & Signal Systems	CLIGHT	4,283,802	0	0	0	4,283,802	0
AF	86								
AF	87	Number of Bills	CUSTBILLS	787,006	629,400	141,244	6,056	7,764	2,542
AF	88	Number of Customers	CUST	65,584	52,450	11,770	505	647	211.81
AF	89								
AF	90								
AF	91								
AF	92								

BLACK HILLS POWER, INC.
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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 93	ALLOCATION FACTOR TABLE CONTINUED							
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF 95								
AF 96	Plant							
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	753,668,347	311,397,715	215,464,158	207,961,841	8,933,373	9,911,260
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	280,308,957	130,653,961	75,019,174	64,330,121	6,100,115	4,205,587
AF 99	Rate Base	RATEBASE	419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
AF 100	Total Electric Plant In Service	TOTPLT	815,555,892	340,290,794	231,691,970	223,376,690	9,530,592	10,665,845
AF 101	Production Plant In Service	PRODPLT	465,623,884	177,270,575	138,381,912	141,672,318	2,711,900	5,587,179
AF 102	Transmission Plant in Service	TRANPLT	3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
AF 103	Distribution Plant in Service	DISTPLT	284,252,490	132,492,069	76,074,583	65,235,150	6,185,934	4,264,753
AF 104	Total Transmission and Distribution Plant	TDPLT	288,044,463	134,127,139	77,082,246	66,289,523	6,221,474	4,324,081
AF 105	General Plant in Service	GENLPLT	35,656,198	16,880,270	9,254,687	8,731,504	354,462	435,275
AF 106								
AF 107	Account 360	PLT_360	2,022,060	871,897	537,334	562,242	18,951	31,636
AF 108	Account 361	PLT_361	700,802	302,180	186,228	194,861	6,568	10,964
AF 109	Account 362	PLT_362	58,163,248	25,079,554	15,456,058	16,172,518	545,118	910,001
AF 110	Account 364	PLT_364	64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
AF 111	Account 365	PLT_365	39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
AF 112	Account 366	PLT_366	4,006,682	1,809,350	1,115,069	977,284	39,327	65,652
AF 113	Account 367	PLT_367	38,801,103	17,661,020	10,896,481	9,197,748	384,307	641,548
AF 114	Account 368	PLT_368	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
AF 115	Account 369	PLT_369	28,556,304	18,147,676	7,100,262	3,035,138	0	273,228
AF 116	Account 370	PLT_370	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
AF 117	Account 371	PLT_371	2,091,882	0	0	0	2,091,882	0
AF 118	Account 373	PLT_373	1,650,961	0	0	0	1,650,961	0
AF 119	Distribution Overhead Plant in Service	OHDIST	103,946,082	45,786,650	28,217,454	27,285,431	995,198	1,661,349
AF 120	Distribution Underground Plant in Service	UGDIST	42,807,785	19,490,370	12,011,549	10,175,032	423,634	707,200
AF 121	Account 371&373	PLT_3713	3,742,843	0	0	0	3,742,843	0
AF 122								
AF 123	Other Customer Class	DPLTOTH	2,368,549	0	0	0	0	2,368,549
AF 124	Residential Regular Sales Revenue	DPLTRESR	44,242,053	44,242,053	0	0	0	0
AF 125	Residential Electric Sales Revenue	DPLTRESE	10,482,511	10,482,511	0	0	0	0
AF 126	Residential Demand Sales Revenue	DPLTRESDD	10,552,455	10,552,455	0	0	0	0
AF 127	GS Regular Sales Revenue	DPLTGSR	35,051,509	0	35,051,509	0	0	0
AF 128	GS Total Electric Sales Revenue	DPLTGSE	3,306,463	0	3,306,463	0	0	0
AF 129	GSL Secondary	DPLTGSLSD	25,344,622	0	0	25,344,622	0	0
AF 130	GSL Primary	DPLTGSLP	1,331,206	0	0	1,331,206	0	0
AF 131								
AF 132								
AF 133								
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	99,423,467	43,008,914	26,727,049	27,425,872	929,595	1,332,038
AF 135	Supervised O&M Expense excluding CUS	OMXFPPPT	46,999,369	21,270,395	12,592,826	12,084,242	441,235	610,670
AF 136								
AF 137								
AF 138								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF	139	ALLOCATION FACTOR TABLE CONTINUED							
AF	140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF	141	Production Expense							
AF	142	Account 500	OX_500	1,625,149	578,538	450,715	556,233	14,400	25,263
AF	143	Account 501	OX_501	17,843,849	6,240,292	4,858,858	6,279,397	171,861	293,441
AF	144	Account 502	OX_502	2,520,773	959,699	749,166	766,979	14,682	30,248
AF	145	Account 505	OX_505	1,175,517	447,538	349,360	357,667	6,846	14,105
AF	146	Account 506	OX_506	803,766	306,007	238,877	244,557	4,681	9,645
AF	147	Account 510	MX_510	1,306,777	497,511	388,370	397,604	7,611	15,680
AF	148	Account 511	MX_511	736,865	280,536	218,994	224,201	4,292	8,842
AF	149	Account 512	MX_512	3,194,346	1,216,139	949,349	971,923	18,605	38,330
AF	150	Account 513	MX_513	707,840	269,486	210,368	215,370	4,123	8,494
AF	151	Account 514	MX_514	139,021	52,928	41,317	42,299	810	1,668
AF	152	Account 546	OX_546	221,472	78,842	61,423	75,802	1,962	3,443
AF	153	Account 547	OX_547	2,299,180	804,061	626,064	809,100	22,144	37,810
AF	154	Account 548	OX_548	486,733	185,307	144,656	148,095	2,835	5,840
AF	155	Account 549	OX_549	124,211	47,289	36,915	37,793	723	1,490
AF	156	Account 551	MX_551	178,726	68,044	53,117	54,380	1,041	2,145
AF	157	Account 552	MX_552	6,494	2,472	1,930	1,976	38	78
AF	158	Account 553	MX_553	959,437	365,273	285,142	291,922	5,588	11,513
AF	159	Account 554	MX_554	80,278	30,563	23,858	24,426	468	963
AF	160	Account 556	OX_556	1,267,934	482,723	376,826	385,786	7,385	15,214
AF	161	Account 555	OX_555	40,199,113	14,258,603	11,107,046	13,838,543	362,574	632,348
AF	162	Account 557	OX_557	0	0	0	0	0	0
AF	163	O&M Expense Production Operation	OX_PROD	25,254,029	8,990,194	7,003,894	8,643,588	223,773	392,580
AF	164	O&M Expense Production Maintenance	MX_PROD	13,175,268	5,016,038	3,915,647	4,008,752	76,736	158,094
AF	165	Salaries and Wages Production Operation	SALWAGPO	2,990,884	1,064,726	829,485	1,023,677	26,502	46,494
AF	166	Salaries and Wages Production Maintenance	SALWAGPM	1,785,168	679,642	530,546	543,161	10,397	21,421
AF	167	Transmission Expense							
AF	168	Account 560	OX_560	70,693	30,482	18,786	19,656	663	1,106
AF	169	Account 561	OX_561	0	0	0	0	0	0
AF	170	Account 562	OX_562	0	0	0	0	0	0
AF	171	Account 563	OX_563	17,212	7,422	4,574	4,786	161	269
AF	172	Account 565	OX_565	17,049,706	7,351,705	4,530,718	4,740,737	159,793	266,753
AF	173	Account 566	OX_566	28,154	12,140	7,482	7,828	264	440
AF	174	Account 567	OX_567	0	0	0	0	0	0
AF	175	Account 568	MX_568	50	22	13	14	0	1
AF	176	Account 569	MX_569	0	0	0	0	0	0
AF	177	Account 570	MX_570	25,658	11,064	6,818	7,134	240	401
AF	178	Account 571	MX_571	16,488	7,110	4,381	4,585	155	258
AF	179	Account 573	MX_573	1,008	435	268	280	9	16
AF	180	O&M Accounts 561-567	OX_TRAN	17,095,072	7,371,266	4,542,773	4,753,351	160,219	267,463
AF	181	O&M Accounts 569-573	MX_TRAN	43,154	18,608	11,468	11,999	404	675
AF	182	Salaries & Wages Accounts 561-567	SALWAGTO	209,290	90,244	55,616	58,194	1,962	3,274
AF	183	Salaries & Wages Accounts 569-573	SALWAGTM	49,176	21,204	13,068	13,674	461	769
AF	184								

BLACK HILLS POWER, INC.
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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 185	ALLOCATION FACTOR TABLE CONTINUED							
AF 186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF 187	Distribution Expense							
AF 188	Account 580	OX_580	1,317,256	698,405	338,730	250,731	13,695	15,696
AF 189	Account 581	OX_581	276,452	128,856	73,987	63,445	6,016	4,148
AF 190	Account 582	OX_582	375,020	161,706	99,656	104,276	3,515	5,867
AF 191	Account 583	OX_583	461,010	203,068	125,147	121,013	4,414	7,368
AF 192	Account 584	OX_584	298,571	135,939	83,777	70,968	2,955	4,932
AF 193	Account 585	OX_585	1	0	0	0	1	0
AF 194	Account 586	OX_586	756,867	538,836	171,815	41,877	1,744	2,595
AF 195	Account 587	OX_587	21,902	15,593	4,972	1,212	50	75
AF 196	Account 588	OX_588	341,764	159,299	91,466	78,434	7,438	5,128
AF 197	Account 589	OX_589	16,510	7,696	4,419	3,789	359	248
AF 198	Account 590	MX_590	1,179	519	315	299	27	18
AF 199	Account 592	MX_592	240,304	103,617	63,857	66,817	2,252	3,760
AF 200	Account 593	MX_593	3,281,381	1,445,398	890,771	861,349	31,417	52,446
AF 201	Account 594	MX_594	229,373	104,433	64,360	54,520	2,270	3,789
AF 202	Account 595	MX_595	45,831	22,062	13,596	8,892	480	801
AF 203	Account 596	MX_596	54,502	0	0	0	54,502	0
AF 204	Account 597	MX_597	66,547	47,377	15,107	3,682	153	228
AF 205	Account 598	MX_598	88,416	41,211	23,663	20,291	1,924	1,327
AF 206	O&M Accounts 581-589	OX_DIST	2,548,097	1,350,992	655,239	485,013	26,492	30,361
AF 207	O&M Accounts 591-598	MX_DIST	4,006,353	1,764,098	1,071,355	1,015,552	92,997	62,350
AF 208	Salaries & Wages Accounts 581-589	SALWAGDO	1,540,819	816,937	396,219	293,284	16,019	18,359
AF 209	Salaries & Wages Accounts 591-598	SALWAGDM	816,260	359,420	218,279	206,910	18,947	12,703
AF 210								
AF 211	Account 902	OX_902	19,153	15,436	3,464	148	43	62
AF 212	Account 903	OX_903	1,527,862	1,221,892	274,206	11,756	15,073	4,935
AF 213	Account 904	OX_904	426,884	399,951	25,162	0	1,771	0
AF 214	O&M Accounts 902-905	OX_CA	2,554,217	2,101,383	406,982	16,370	22,611	6,871
AF 215	Salaries & Wages Accounts 902-905	SALWAGCA	693,907	570,885	110,565	4,447	6,143	1,867
AF 216								
AF 217	Account 908	OX_908	1,123,739	898,699	201,678	8,647	11,086	3,629
AF 218	Account 909	OX_909	11,956	9,562	2,146	92	118	39
AF 219	Account 910	OX_910	67,942	54,336	12,194	523	670	219
AF 220	O&M Accounts 908-910	OX_CS	1,203,637	962,597	216,017	9,262	11,874	3,887
AF 221	Salaries & Wages Accounts 908-910	SALWAGCS	888,769	550,836	123,614	5,300	6,795	2,225
AF 222								
AF 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	8,774,272	4,153,894	2,277,392	2,148,647	87,226	107,113
AF 224	Total Salaries and Wages Expense	SALWAGES	9,129,960	4,322,283	2,369,712	2,235,748	90,762	111,455
AF 225								
AF 226								
AF 227								
AF 228								
AF 229								
AF 230								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF	231	REVENUES AND BILLING DETERMINANTS							
AF	232								
AF	233	Sales of Electricity Revenue	SALESREV	146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF	234	Other Sales Revenue	SREVOTH	1,992,379	0	0	0	0	1,992,379
AF	235	Residential Regular Sales Revenue	SREVRESR	40,888,347	40,888,347	0	0	0	0
AF	236	Residential Total Electric Sales Revenue	SREVRESE	8,676,593	8,676,593	0	0	0	0
AF	237	Residential Total Electric Demand Sales Rev	SREVRESD	7,515,049	7,515,049	0	0	0	0
AF	238	GS Regular Sales Revenue	SREVSGSR	42,460,856	0	42,460,856	0	0	0
AF	239	GS Total Electric Sales Revenue	SREVSGSE	3,906,118	0	3,906,118	0	0	0
AF	240	GS Total Other Sales Revenue	SREVSGSO	491,568	0	491,568	0	0	0
AF	241	GSL Secondary	SREVGSLS	25,095,926	0	0	25,095,926	0	0
AF	242	GSL Primary	SREVGSLP	1,852,720	0	0	1,852,720	0	0
AF	243	GSL Other	SREVGSLQ	1,364,475	0	0	1,364,475	0	0
AF	244	Traffic Signals & Flashers	SREVTSF	74,146	0	0	0	74,146	0
AF	245	Private Area Lighting Leased	SREVPAL	568,738	0	0	0	568,738	0
AF	246	Street Lighting Leased	SREVSL	754,539	0	0	0	754,539	0
AF	247	Street Lighting Energy & Maint Cust Owned	SREVSLEM	430,149	0	0	0	430,149	0
AF	248	Street Lighting Non-Metered Services/Rentals	SREVLSR	58,943	0	0	0	58,943	0
AF	249						0		
AF	250	Claimed Rate Sales Revenue	CLAIMREV	149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
AF	251								
AF	252	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AF	253								
AF	254	Total Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF	255	Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF	256	Fuel Revenues		0	0	0	0	0	0
AF	257			0	0	0	0	0	0
AF	258				11,711,396				
AF	259								
AF	260	<u>BILLING DETERMINATE INPUTS</u>							
AF	261	Number of Customer Bills	SCH AF, LN 87	787,006	629,400	141,244	6,056	7,764	2,542
AF	262	Annual kWh Sales @ Meter	SCH AF, LN 52	1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
AF	263	Annual kW - Billed		3,141,583	426,380	1,574,160	1,073,238	0	67,804
AF	264								
AF	265								
AF	266	<u>RATE OF RETURN</u>							
AF	267	Rate of Return (Equalized)	SCH AF, LN 267	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
AF	268								
AF	269								
AF	270	<u>PROPOSED REVENUES FROM SALES INPUT</u>							
AF	271	Annual kWh Sales - Proposed	SCH AF, LN 262	1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
AF	272	Sales of Electricity Revenues - Proposed Total		149,653,622	58,219,647	47,794,119	39,683,516	1,924,181	2,032,159
AF	273	Sales of Electricity Revenues - Present		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF	274	Rate Increase Sales Revenues		2,929,492	1,139,658	935,577	776,811	37,666	39,780
AF	275	Credit	DPROD	0	0	0	0	0	0
AF	276			2.00%					

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 1	ALLOCATION PROPORTIONS TABLE							
AP 2	<u>DEMAND</u>							
AP 3								
AP 4	<u>DEMAND - PRODUCTION RELATED</u>							
AP 5	Demand Production (A&E)	DPROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 9	<u>DEMAND - TRANSMISSION RELATED</u>							
AP 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 11								
AP 12								
AP 13								
AP 15								
AP 16								
AP 17								
AP 18								
AP 19								
AP 20	<u>DEMAND - DISTRIBUTION RELATED (Calculated Maxim</u>							
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 24								
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 28	Demand Distribution Undergrmd Line Transformers	DDISTSUT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 29								
AP 30								
AP 31								
AP 32								
AP 33								
AP 34								
AP 35								
AP 36								
AP 37								
AP 38								
AP 39								
AP 40								
AP 41								
AP 42								
AP 43								
AP 44								
AP 45								
AP 46								

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP	47	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	48								
AP	49	ENERGY							
AP	50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP	51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP	52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.34770	0.27073	0.35564	0.00958	0.01635
AP	53								
AP	54								
AP	55								
AP	56								
AP	57								
AP	58								
AP	59								
AP	60								
AP	61	CUSTOMER							
AP	62								
AP	63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.79975	0.17947	0.00768	0.00987	0.00323
AP	64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP	65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP	66								
AP	67								
AP	68								
AP	69								
AP	70								
AP	71								
AP	72	369-Services	CSERVICE	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP	73	370-Meters	CMETERS	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP	74								
AP	75	902-Meter Reading	CMETRDG	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP	76	903-Customer Records and Collections	CUSTREC	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP	77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP	78	908-Customer Assistance	CUSTASST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP	79	909-Advertisement	CUSTADVT	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP	80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP	81								
AP	82			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	83								
AP	84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	86								
AP	87	Number of Bills	CUSTBILLS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP	88	Number of Customers	CUST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP	89								
AP	90								
AP	91								
AP	92								

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 93	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AP 95								
AP 96	Plant							
AP 97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.41318	0.28589	0.27593	0.01185	0.01315
AP 98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 99	Rate Base	RATEBASE	1.00000	0.42060	0.28286	0.27244	0.01104	0.01306
AP 100	Total Electric Plant In Service	TOTPLT	1.00000	0.41725	0.28409	0.27390	0.01169	0.01308
AP 101	Production Plant In Service	PRODPLT	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 102	Transmission Plant in Service	TRANPLT	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 103	Distribution Plant in Service	DISTPLT	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.46565	0.26761	0.23014	0.02160	0.01501
AP 105	General Plant in Service	GENLPLT	1.00000	0.47342	0.25955	0.24488	0.00994	0.01221
AP 106								
AP 107	Account 360	PLT_360	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 108	Account 361	PLT_361	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 109	Account 362	PLT_362	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 110	Account 364	PLT_364	1.00000	0.44169	0.27220	0.26048	0.00960	0.01603
AP 111	Account 365	PLT_365	1.00000	0.43854	0.27027	0.26574	0.00953	0.01591
AP 112	Account 366	PLT_366	1.00000	0.45158	0.27830	0.24391	0.00982	0.01639
AP 113	Account 367	PLT_367	1.00000	0.45568	0.28083	0.23705	0.00990	0.01653
AP 114	Account 368	PLT_368	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 115	Account 369	PLT_369	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP 116	Account 370	PLT_370	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 117	Account 371	PLT_371	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 118	Account 373	PLT_373	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 120	Distribution Underground Plant in Service	UGDIST	1.00000	0.45530	0.28059	0.23789	0.00990	0.01652
AP 121	Account 371&373	PLT_3713	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 122								
AP 123	Other Customer Class	DPLTOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP 124	Residential Regular Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 125	Residential Electric Sales Revenue	DPLTRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 126	Residential Demand Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 127	GS Regular Sales Revenue	DPLTGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 128	GS Total Electric Sales Revenue	DPLTGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 129	GSL Secondary	DPLTGSL	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 130	GSL Primary	DPLTGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 131								
AP 132								
AP 133								
AP 134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.43258	0.26882	0.27585	0.00935	0.01340
AP 135	Supervised O&M Expense excluding CUS	OMXFPP						
AP 136								
AP 137								
AP 138								

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(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 141	Production Expense							
AP 142	Account 500	OX_500	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 143	Account 501	OX_501	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP 144	Account 502	OX_502	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 145	Account 505	OX_505	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 146	Account 506	OX_506	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 147	Account 510	MX_510	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 148	Account 511	MX_511	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 149	Account 512	MX_512	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 150	Account 513	MX_513	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 151	Account 514	MX_514	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 152	Account 546	OX_546	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 153	Account 547	OX_547	1.00000	0.34972	0.27230	0.35191	0.00963	0.01644
AP 154	Account 548	OX_547	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 155	Account 549	OX_549	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 156	Account 551	MX_551	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 157	Account 552	MX_552	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 158	Account 553	MX_553	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 159	Account 554	MX_554	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 160	Account 556	OX_556	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 161	Account 555	OX_555	1.00000	0.35470	0.27630	0.34425	0.00902	0.01573
AP 162	Account 557	OX_557	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.35599	0.27734	0.34227	0.00886	0.01555
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 167	Transmission Expense							
AP 168	Account 560	OX_560	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 169	Account 561	OX_561	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 172	Account 565	OX_565	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 173	Account 566	OX_566	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 174	Account 567	OX_567	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 176	Account 569	MX_569	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 178	Account 571	MX_571	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 179	Account 573	MX_573	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 184								

BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 187	Distribution Expense							
AP 188	Account 580	OX_580	1.00000	0.53020	0.25715	0.19034	0.01040	0.01192
AP 189	Account 581	OX_581	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 190	Account 582	OX_582	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 191	Account 583	OX_583	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 192	Account 584	OX_584	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 193	Account 585	OX_585	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 194	Account 586	OX_586	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 195	Account 587	OX_587	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 196	Account 588	OX_588	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 197	Account 589	OX_589	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 198	Account 590	MX_590	1.00000	0.44033	0.26741	0.25349	0.02321	0.01556
AP 199	Account 592	MX_592	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 200	Account 593	MX_593	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 201	Account 594	MX_594	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 202	Account 595	MX_595	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 203	Account 596	MX_596	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 204	Account 597	MX_597	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 205	Account 598	MX_598	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.53020	0.25715	0.19034	0.01040	0.01192
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.44033	0.26741	0.25349	0.02321	0.01556
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.53020	0.25715	0.19034	0.01040	0.01192
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.44033	0.26741	0.25349	0.02321	0.01556
AP 210								
AP 211	Account 902	OX_902	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP 212	Account 903	OX_903	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 213	Account 904	OX_904	1.00000	0.93691	0.05894	0.00000	0.00415	0.00000
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.82271	0.15934	0.00641	0.00885	0.00269
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.82271	0.15934	0.00641	0.00885	0.00269
AP 216								
AP 217	Account908	OX_908	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 218	Account909	OX_909	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 219	Account910	OX_910	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 222								
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.47342	0.25955	0.24488	0.00994	0.01221
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.47342	0.25955	0.24488	0.00994	0.01221
AP 225								
AP 226								
AP 227								
AP 228								
AP 229								
AP 230								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP	231	REVENUES AND BILLING DETERMINANTS							
AP	232								
AP	233	Sales of Electricity Revenue	SALESREV	1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP	234	Other Sales Revenue	SREVOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP	235	Residential Regular Sales Revenue	SREVRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	236	Residential Total Electric Sales Revenue	SREVRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	237	Residential Total Electric Demand Sales Rev	SREVRESED	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	238	GS Regular Sales Revenue	SREVSGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	239	GS Total Electric Sales Revenue	SREVSGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	240	GS Total Other Sales Revenue	SREVSGSO	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	241	GSL Secondary	SREVGSLS	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	242	GSL Primary	SREVGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	243	GSL Other	SREVGSL0	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	244	Traffic Signals & Flashers	SREVTSF	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	245	Private Area Lighting Leased	SREVPAL	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	246	Street Lighting Leased	SREVSL	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	247	Street Lighting Energy & Maint Cust Owned	SREVSLM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	248	Street Lighting Non-Metered Services/Rentals	SREVSLSR	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	249								
AP	250	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.42148	0.26757	0.28550	0.01101	0.01444
AP	251								
AP	252	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AP	253								
AP	254	Total Sales of Electricity Revenues		1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP	255	Sales of Electricity Revenues		1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP	256	Fuel Revenues		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	257			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP	258								
AP	259								
AP	260								
AP	261								
AP	262								
AP	263								
AP	264								
AP	265								
AP	266								
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AP	268								
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AP	271								
AP	272								
AP	273								
AP	274								
AP	275								
AP	276								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	Write-Offs							
ADA 5	Other Sales Revenue	SREVOTH	0	0	0	0	0	0
ADA 6	Residential Regular Sales Revenue	SREVRESR	406,675	406,675	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	103,654	103,654	0	0	0	0
ADA 8	Residential - Demand	SREVRESD	16,603	16,603	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVGSR	30,912	0	30,912	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVGSE	2,178	0	2,178	0	0	0
ADA 11	GS Other	SREVGSO	61	0	61	0	0	0
ADA 12	GSL Secondary	SREVGSL	0	0	0	0	0	0
ADA 13	GSL Primary	SREVGSLP	0	0	0	0	0	0
ADA 14	Private Area Lighting Leased	SREVPAL	2,059	0	0	0	2,059	0
ADA 15	Street Lighting Leased	SREVS	0	0	0	0	0	0
ADA 16	Street Lighting Energy & Maint Cust Owned	SREVSLEM	0	0	0	0	0	0
ADA 17	Street Lighting Non-Metered Services/Rentals	SREVSLSR	274	0	0	0	274	0
ADA 18	Total Write-Offs	EXP_904	562,416	526,932	33,151	0	2,333	0
ADA 19								
ADA 20	Total Write-Offs	EXP_904	1.00000	0.93691	0.05894	0.00000	0.00415	0.00000
ADA 21								
ADA 22	Customer Advances for Construction							
ADA 23	Other	DPLTOTH	7,712	0	0	0	0	7,712
ADA 24	Residential Regular	DPLTRESR	177,941	177,941	0	0	0	0
ADA 25	Residential Total Electric	DPLTRESE	20,375	20,375	0	0	0	0
ADA 26	Residential Electric Demand	DPLTRESD	18,981	18,981	0	0	0	0
ADA 27	GS Regular	DPLTGSR	474,629	0	474,629	0	0	0
ADA 28	GS Total Electric	DPLTGSE	20,901	0	20,901	0	0	0
ADA 29	GSL Secondary	DPLTGSL	161,691	0	0	161,691	0	0
ADA 30	Traffic Signals & Flashers	PLT_3713	6,468	0	0	0	6,468	0
ADA 31								
ADA 32	Customer Advances for Construction	CUSTADV	888,699	217,297	495,530	161,691	6,468	7,712
ADA 33								
ADA 34	Customer Advances for Construction	CUSTADV	1.00000	0.24451	0.55759	0.181942	0.00728	0.00868
ADA 35								
ADA 36								
ADA 37								
ADA 38								
ADA 39								
ADA 40								
ADA 41								
ADA 42								
ADA 43								
ADA 44								
ADA 45								
ADA 46								

BLACK HILLS POWER, INC.
 PER BOOK CLASS COST OF SERVICE STUDY
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	DSM							
ADA 5	Other Sales Revenue	SREVOTH	17,170	0	0	0	0	17,170
ADA 6	Residential Regular Sales Revenue	SREVRESR	279,448	279,448	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	76,729	76,729	0	0	0	0
ADA 8	Residential - Demand	SREVRESED	78,004	78,004	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVGSR	256,806	0	256,806	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVGSE	28,070	0	28,070	0	0	0
ADA 11	GS Other	SREVGSO	5,449	0	5,449	0	0	0
ADA 12	GSL Secondary	SREVGSL	215,811	0	0	215,811	0	0
ADA 13	GSL Primary	SREVGSLP	0	0	0	0	0	0
ADA 14	Traffic Signals & Flashers	SREVTSF	519	0	0	0	519	0
ADA 15	Private Area Lighting Leased	SREVPAL	2,887	0	0	0	2,887	0
ADA 16	Street Lighting Leased	SREVSL	2,641	0	0	0	2,641	0
ADA 17	Street Lighting Energy & Maint Cust Owned	SREVSLEM	4,419	0	0	0	4,419	0
ADA 18	Street Lighting Non-Metered Services/Rentals	SREVSLSR	0	0	0	0	0	0
ADA 19	Total DSM	SREVDSM	967,955	434,181	290,326	215,811	10,468	17,170
ADA 20								
ADA 21	Total DSM	SREVDSM	1.00000	0.44856	0.29994	0.222955	0.01081	0.01774
ADA 22								
ADA 23								
ADA 24								
ADA 25								
ADA 26								
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BLACK HILLS POWER, INC.
PER BOOK CLASS COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
RRW 1	REVENUE REQUIREMENTS							
RRW 2	PRESENT RATES							
RRW 3	<hr/>							
RRW 4	<hr/>							
RRW 5	RATE BASE		419,344,687	176,375,178	118,615,824	114,247,422	4,628,305	5,477,958
RRW 6	NET OPER INC (PRESENT RATES)		33,656,260	11,059,575	14,488,632	7,205,678	547,932	354,443
RRW 7	RATE OF RETURN (PRES RATES)		8.03%	6.27%	12.21%	6.31%	11.84%	6.47%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.78	1.52	0.79	1.48	0.81
RRW 9	SALES REVENUE (PRE RATES)		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
RRW 10	REVENUE PRES RATES \$/KWH		\$0.0989	\$0.1106	\$0.1166	\$0.0737	\$0.1328	\$0.0821
RRW 11	REVENUE REQUIRED - \$/MO/CUST		\$2,233.59	\$1,088.27	\$3,981.06	\$0.00	\$2,915.79	\$6,270.82
RRW 12	SALES REV REQUIRED \$/KW		\$46.70	\$133.87	\$29.77	\$36.25	\$0.00	\$29.38
RRW 13	<hr/>							
RRW 14	CLAIMED RATE OF RETURN							
RRW 15	<hr/>							
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		35,560,429	14,956,615	10,058,622	9,688,181	392,480	464,531
RRW 18	SALES REVENUE REQ CLAIMED ROR		149,653,622	63,075,435	40,043,143	42,725,940	1,647,359	2,161,745
RRW 19	REVENUE DEFICIENCY SALES REV		2,929,492	5,995,446	(6,815,399)	3,819,235	(239,156)	169,366
RRW 20	PERCENT INCREASE REQUIRED		1.96%	9.51%	-17.02%	8.94%	-14.52%	7.83%
RRW 21	ANNUAL BOOKED KWH SALES		1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
RRW 22	SALES REV REQUIRED \$/KWH		\$0.1009	\$0.1223	\$0.0997	\$0.0810	\$0.1159	\$0.0891
RRW 23	REVENUE DEFICIENCY \$/KWH		\$0.0020	\$0.0116	(\$0.0170)	\$0.0072	(\$0.0168)	\$0.0070
RRW 24	<hr/>							
RRW 25	PROPOSED REVENUES							
RRW 26	<hr/>							
RRW 27	PROPOSED SALES REVENUES		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
RRW 28	REVENUE DEFICIENCY SALES REV		0	0	0	0	0	0
RRW 29	PERCENT INCREASE PROPOSED		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RRW 30	PROPOSED RATE OF RETURN		8.48%	6.69%	12.73%	6.75%	12.37%	6.94%
RRW 31	RETURN REQ FOR PROPOSED REV		35,560,430	11,800,353	15,096,757	7,710,605	572,415	380,300
RRW 32	ANNUAL BOOKED KWH SALES		1,483,797,944	515,920,540	401,709,507	527,698,670	14,208,746	24,260,481
RRW 33	SALES REV REQUIRED \$/KWH		\$0.0989	\$0.1106	\$0.1166	\$0.0737	\$0.1328	\$0.0821
RRW 34	REVENUE DEFICIENCY \$/KWH		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
RRW 35								
RRW 36								
RRW 37								
RRW 38								
RRW 39								
RRW 40								
RRW 41								
RRW 42								
RRW 43								
RRW 44								
RRW 45								
RRW 46								

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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M	1	SUMMARY AT PRESENT RATES							
M	2								
M	3	DEVELOPMENT OF RETURN							
M	4								
M	5	OPERATING REVENUE	<u>Sched O-1 Reference</u>						
M	6	Base Sales of Electricity	SCH I, LN 4	124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
M	7	Contract Revenues	SCH I, LN 5	19,288,845	7,343,577	5,732,582	5,868,890	112,343	231,453
M	8	Other Operating Revenue	SCH I, LN 15	5,800,779	2,839,818	1,467,155	1,281,870	131,380	80,556
M	9	TOTAL OPERATING REVENUE		149,258,977	59,193,383	49,197,134	36,979,488	1,946,139	1,942,834
M	10								
M	11	OPERATING EXPENSES							
M	12	Operation and Maintenance Expense	SCH H, LN 178	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
M	13	Depreciation Expense	SCH J, LN 28	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
M	14	Amortization Expense	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
M	15	Taxes Other Than Income Taxes	SCH L, LN 20	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
M	16	State Income Tax	SCH K, LN 10	0	0	0	0	0	0
M	17	Federal Income Tax	SCH K, LN 32	10,753,377	2,320,402	5,717,079	2,249,778	281,785	184,334
M	18	TOTAL OPERATING EXPENSES		112,750,105	47,678,862	33,962,427	28,454,650	1,257,902	1,396,264
M	19								
M	20	OPERATING INCOME (RETURN)		36,508,872	11,514,521	15,234,707	8,524,838	688,237	546,570
M	21								
M	22								
M	23	DEVELOPMENT OF RATE BASE							
M	24	Electric Plant in Service	SCH D-2, LN 116	901,099,320	375,631,925	256,685,894	246,656,289	10,414,468	11,710,745
M	25	Less: Accumulated Depreciation	SCH E, LN 27	251,710,991	105,368,061	71,276,908	68,292,858	3,442,379	3,330,785
M	26	Less: Amortization	SCH E, LN 29	2,835,303	1,079,446	842,643	862,679	16,513	34,022
M	27	Plus: Working Capital	SCH F, LN 9	13,863,167	5,238,363	3,901,386	4,360,969	156,048	206,401
M	28	Less: Other Rate Base Deductions	SCH F, LN 26	117,714,228	49,171,526	33,801,071	31,771,928	1,440,829	1,528,874
M	29								
M	30	TOTAL RATE BASE	SCH F, LN 29	542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
M	31								
M	32								
M	33	RATE OF RETURN (PRESENT)		6.73%	5.11%	9.85%	5.68%	12.14%	7.78%
M	34								
M	35	INDEX RATE OF RETURN (PRESENT)		1.00	0.76	1.46	0.84	1.80	1.16
M	36								
M	37								
M	38								
M	39								
M	40								
M	41								
M	42								
M	43								
M	44								
M	45								
M	46								

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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
M	47	EQUALIZED RETURN AT PROPOSED ROR							
M	48								
M	49	DEVELOPMENT OF RETURN (EQUALIZED RATE LEVELS)							
M	50								
M	51	RATE BASE		542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
M	52								
M	53	RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
M	54								
M	55	RETURN (RATE BASE * ROR)		46,021,127	19,101,306	13,115,733	12,727,614	480,883	595,590
M	56								
M	57	LESS:							
M	58	OPERATING EXPENSES	Sched O-1 Reference						
M	59	Operation and Maintenance Expense	SCH M, LN 12	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
M	60	Depreciation Expense	SCH M, LN 13	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
M	61	Amortization Expense	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
M	62	Taxes Other Than Income Taxes	SCH M, LN 15	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
M	63	State Income Tax	CALCULATED	0	0	0	0	0	0
M	64	Federal Income Tax	CALCULATED	15,875,361	6,405,594	4,576,092	4,512,811	170,133	210,730
M	65	TOTAL OPERATING EXPENSES		117,872,089	51,764,054	32,821,441	30,717,684	1,146,251	1,422,659
M	66								
M	67	EQUALS TOTAL COST OF SERVICE		163,893,215	70,865,361	45,937,173	43,445,298	1,627,134	2,018,249
M	68								
M	69	LESS:							
M	70	OTHER OPERATING REVENUES		25,089,624	10,183,394	7,199,737	7,150,760	243,723	312,009
M	71								
M	72	EQUALS:							
M	73	PROPOSED BASE RATE SALES @ EQUALIZED ROR		138,803,591	60,681,967	38,737,436	36,294,538	1,383,411	1,706,240
M	74								
M	75								
M	76	TOTAL COST OF SERVICE INCREASE/DECREASE		14,634,238	11,671,978	(3,259,960)	6,465,811	(319,005)	75,415
M	77								
M	78	BASE SALES OF ELECTRICITY		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
M	79	SALES OF ELECTRICITY FOR BASE ENERGY COST ENERGY2		33,682,213	11,594,018	9,158,128	12,053,051	323,929	553,088
M	80	TOTAL CURRENT RETAIL REVENUES		157,851,566	60,604,006	51,155,524	41,881,778	2,026,346	2,183,912
M	81								
M	82	REVENUE INCREASE TO RETAIL REVENUES (%)		9.27%	19.26%	-6.37%	15.44%	-15.74%	3.45%
M	83								
M	84								
M	85								
M	86								
M	87								
M	88								
M	89								
M	90								
M	91								
M	92								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION	
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)	
M	93	RETURN AT PROPOSED RATES								
M	94									
M	95	DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS								
M	96									
M	97	OPERATING REVENUE								
M	98	Sales of Electricity	SCH AF, LN 273	138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191	
M	99	Contract Revenues	SCH I, LN 5	19,288,845	7,343,577	5,732,582	5,868,890	112,343	231,453	
M	100	Other Operating Revenue	SCH I, LN 15	5,800,779	2,839,818	1,467,155	1,281,870	131,380	80,556	
M	101	TOTAL OPERATING REVENUE		163,893,260	65,730,047	52,933,490	41,047,726	2,094,796	2,087,200	
M	102									
M	103	OPERATING EXPENSES								
M	104	Operation and Maintenance Expense	SCH H, LN 178	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810	
M	105	Depreciation Expense	SCH J, LN 28	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157	
M	106	Amortization Expense	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392	
M	107	Taxes Other Than Income Taxes	SCH L, LN 20	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570	
M	108	State Income Tax	CALCULATED	0	0	0	0	0	0	
M	109	Federal Income Tax	CALCULATED	15,875,376	4,608,235	7,024,803	3,673,661	333,815	234,862	
M	110	TOTAL OPERATING EXPENSES		117,872,104	49,966,695	35,270,152	29,878,534	1,309,932	1,446,792	
M	111									
M	112	OPERATING INCOME (RETURN) AT PROPOSED RATES			46,021,156	15,763,353	17,663,339	11,169,193	784,864	640,408
M	113									
M	114									
M	115	RATE BASE	SCH M, LN 30	542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465	
M	116									
M	117									
M	118	RATE OF RETURN		8.48%	7.00%	11.42%	7.44%	13.84%	9.12%	
M	119									
M	120	INDEX RATE OF RETURN		1.00	0.83	1.35	0.88	1.63	1.08	
M	121									
M	122									
M	123	PROPOSED TOTAL REVENUE INCREASE (\$)			14,634,283	6,536,664	3,736,357	4,068,239	148,657	144,367
M	124									
M	125	BASE SALES OF ELECTRICITY			124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
M	126	SALES OF ELECTRICITY FOR BASE ENERGY COST: ENERGY2			33,682,213	11,594,018	9,158,128	12,053,051	323,929	553,088
M	127	TOTAL CURRENT RETAIL REVENUES			157,851,566	60,604,006	51,155,524	41,881,778	2,026,346	2,183,912
M	128									
M	129	PROPOSED TOTAL REVENUE INCREASE (%)			9.27%	10.79%	7.30%	9.71%	7.34%	6.61%
M	130									
M	131									
M	132									
M	133									
M	134									
M	135									
M	136									
M	137									
M	138									

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 1	DEVELOPMENT OF RATE BASE							
D-2 2								
D-2 3	ELECTRIC PLANT IN SERVICE							
D-2 4								
D-2 5	PRODUCTION PLANT							
D-2 6	Steam Plant							
D-2 7	310-Land & Land Rights	DPROD	299,710	114,104	89,073	91,191	1,746	3,596
D-2 8	311-Structures & Improve	DPROD	36,369,764	13,846,560	10,808,976	11,065,989	211,826	436,413
D-2 9	312-Boiler Plant Equipment	DPROD	214,947,494	81,834,002	63,881,700	65,400,661	1,251,903	2,579,228
D-2 10	313-Engines and Engine Driver Generator	DPROD	307,111	116,922	91,272	93,443	1,789	3,685
D-2 11	314-Turbogenerator Units	DPROD	112,704,235	42,908,333	33,495,334	34,291,777	656,415	1,352,376
D-2 12	315-Accessory Electric Equipment	DPROD	21,971,066	8,364,742	6,529,730	6,684,992	127,964	263,638
D-2 13	316-Misc Power Plant Equipment	DPROD	3,464,042	1,318,817	1,029,502	1,053,981	20,175	41,566
D-2 14	106-Completed Not Classified Production Plant	DPROD	3,259,185	1,240,825	968,619	991,651	18,982	39,108
D-2 15	Steam Plant Additions/Annualization	DPROD	(34,518,292)	(13,141,674)	(10,258,725)	(10,502,654)	(201,042)	(414,197)
D-2 16	Total Steam Plant		358,804,315	136,602,631	106,635,482	109,171,030	2,089,758	4,305,414
D-2 17								
D-2 18								
D-2 19	Other Production Plant							
D-2 20	340-Land & Land Rights	DPROD	2,430	925	722	739	14	29
D-2 21	341-Structures and Improvements	DPROD	464,267	176,754	137,979	141,260	2,704	5,571
D-2 22	342-Fuel Holders, Producers, & Access	DPROD	4,786,936	1,822,464	1,422,662	1,456,489	27,880	57,440
D-2 23	344-Generators	DPROD	62,107,843	23,645,465	18,458,250	18,897,145	361,730	745,253
D-2 24	345-Accessory Electric Equipment	DPROD	4,372,284	1,664,600	1,299,429	1,330,326	25,465	52,465
D-2 25	346-Misc Power Plant Equipment	DPROD	74,441	28,341	22,124	22,650	434	893
D-2 26	106-Completed Not Classified Oth Prod Plt	DPROD	493,075	187,722	146,540	150,025	2,872	5,917
D-2 27	Other Prod Plant Additions/Annualization	DPROD	85,308,588	32,478,365	25,353,437	25,956,283	496,857	1,023,647
D-2 28	Total Other Production Plant		131,003,829	60,004,636	46,841,142	21,848,609	418,227	1,891,214
D-2 29								
D-2 30	TOTAL PRODUCTION PLANT		516,414,181	196,607,266	153,476,624	157,125,948	3,007,714	6,196,629
D-2 31								
D-2 32								
D-2 33	TRANSMISSION PLANT							
D-2 34	350-Land & Land Rights	DTRAN	189,539	81,728	50,367	52,702	1,776	2,965
D-2 35	352-Structures & Improvements	DTRAN	58,802	25,355	15,628	16,350	551	920
D-2 36	353-Station Equipment	DTRAN	1,613,949	695,923	428,884	448,765	15,126	25,251
D-2 37	354-Tower and Fixtures	DTRAN	28,528	12,301	7,581	7,932	267	446
D-2 38	355-Poles & Fixtures	DTRAN	924,322	398,561	245,625	257,011	8,663	14,462
D-2 39	356-Overhead Conductors & Devices	DTRAN	970,537	418,488	257,906	269,862	9,096	15,185
D-2 40	359-Roads and Trails	DTRAN	6,295	2,714	1,673	1,750	59	98
D-2 41	106-Completed Not Classified Transmission Plt	DTRAN	0	0	0	0	0	0
D-2 42	Transmission Plant Additions/Annualization	DTRAN	0	0	0	0	0	0
D-2 43	TOTAL TRANSMISSION PLANT		3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
D-2 44								
D-2 45								
D-2 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2 47	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2 48								
D-2 49	DISTRIBUTION PLANT							
D-2 50	360-Land & Land Rights	DDISPSUB	2,022,060	871,897	537,334	562,242	18,951	31,636
D-2 51	361-Structures & Improvements	DDISPSUB	700,802	302,180	186,228	194,861	6,568	10,964
D-2 52	362-Station Equipment	DDISPSUB	58,163,248	25,079,554	15,456,058	16,172,518	545,118	910,001
D-2 53	364-Poles, Towers & Fixtures							
D-2 54	Primary - Demand	DDISTPOL	50,761,939	21,888,165	13,489,265	14,114,555	475,751	794,203
D-2 55	Secondary - Demand	DDISTSOL	13,420,561	6,460,375	3,981,408	2,603,947	140,420	234,412
D-2 56	Total Account 364		64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
D-2 57	365-Overhead Conductors & Devices							
D-2 58	Primary - Demand	DDISTPOL	33,938,217	14,633,903	9,018,600	9,436,653	318,076	530,985
D-2 59	Secondary - Demand	DDISTSOL	5,825,365	2,804,208	1,728,181	1,130,276	60,951	101,749
D-2 60	Total Account 365		39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
D-2 61	366-Underground Conduit							
D-2 62	Primary - Demand	DDISTPOL	2,378,767	1,025,706	632,124	661,425	22,294	37,217
D-2 63	Secondary - Demand	DDISTSOL	1,627,915	783,644	482,945	315,859	17,033	28,434
D-2 64	Total Account 366		4,006,682	1,809,350	1,115,069	977,284	39,327	65,652
D-2 65	367-Underground Conductors & Devices							
D-2 66	Primary - Demand	DDISTPOL	19,866,165	8,566,140	5,279,152	5,523,864	186,190	310,819
D-2 67	Secondary - Demand	DDISTSOL	18,934,938	9,114,879	5,617,329	3,673,883	198,117	330,729
D-2 68	Total Account 367		38,801,103	17,681,020	10,896,481	9,197,748	384,307	641,548
D-2 69	368-Line Transformers							
D-2 70	Demand	DDISTSUT	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2 71	Total Account 368		33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
D-2 72	369-Services							
D-2 73	370-Meters	CSERVICE	28,556,304	18,147,676	7,100,262	3,035,138	0	273,228
D-2 74	371-Installation on Customer Premises	CMETERS	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
D-2 75	373-Street Lighting & Signal Systems	CUSTPREM	2,091,882	0	0	0	2,091,882	0
D-2 76	106 - Completed Not Classified Distribution Plant	CLIGHT	1,650,961	0	0	0	1,650,961	0
D-2 77	Distribution Plant Additions/Annualization	DISTPLTXNC	13,723,662	6,396,695	3,672,868	3,149,542	298,656	205,902
D-2 78	TOTAL DISTRIBUTION PLANT	DISTPLTXNC	16,377,387	7,633,614	4,383,085	3,758,564	356,407	245,716
D-2 79			310,410,006	144,684,270	83,075,127	71,238,227	6,755,177	4,657,205
D-2 80								
D-2 81								
D-2 82	TOTAL PROD, TRANS, & DIST PLANT		830,616,159	342,926,606	237,559,414	229,418,547	9,798,430	10,913,161
D-2 83								
D-2 84								
D-2 85								
D-2 86								
D-2 87								
D-2 88								
D-2 89								
D-2 90								
D-2 91								
D-2 92								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
D-2	93	ELECTRIC PLANT IN SERVICE CONTINUED							
D-2	94								
D-2	95	GENERAL PLANT							
D-2	96	389-Land and Land Rights	SALWAGES	682,899	320,894	184,072	164,152	6,092	7,689
D-2	97	390-Structures and Improvements	SALWAGES	9,427,643	4,430,050	2,541,169	2,266,171	84,107	106,146
D-2	98	391-Office Furniture & Equipment	SALWAGES	6,543,927	3,074,992	1,763,879	1,572,997	58,381	73,678
D-2	99	392-Transportation Equipment	SALWAGES	6,152,473	2,891,047	1,658,365	1,478,901	54,888	69,271
D-2	100	393-Store Equipment	SALWAGES	265,641	124,825	71,602	63,853	2,370	2,991
D-2	101	394-Tools, Shop & Garage Equip.	SALWAGES	3,393,950	1,594,817	914,821	815,821	30,279	38,212
D-2	102	395-Laboratory Equipment	SALWAGES	293,046	137,702	78,989	70,441	2,614	3,299
D-2	103	396-Power Operated Equipment	SALWAGES	667,603	313,707	179,949	160,475	5,956	7,517
D-2	104	397-Communication Equipment	SALWAGES	6,542,000	3,074,086	1,763,360	1,572,534	58,363	73,656
D-2	105	398-Miscellaneous Equipment	SALWAGES	157,716	74,111	42,511	37,911	1,407	1,776
D-2	106	Rate Case Expenses	CLAIMREV	750,046	327,904	209,324	196,123	7,475	9,220
D-2	107	106-Completed Not Classified General Plant	SALWAGES	1,698,603	798,174	457,849	408,302	15,154	19,125
D-2	108	General Plant Additions/Annualization	SALWAGES	6,237,040	2,930,785	1,681,160	1,499,229	55,643	70,223
D-2	109	TOTAL GENERAL PLANT		42,812,585	20,093,095	11,547,049	10,306,911	382,729	482,802
D-2	110								
D-2	111	TOTAL OTHER UTILITY PLANT IN SERVICE	SALWAGES	23,295,553	10,946,582	6,279,188	5,599,671	207,827	262,284
D-2	112								
D-2	113	TOTAL PLANT ACQUISITION ADJUSTMENT	DPROD	4,375,022	1,665,642	1,300,243	1,331,159	25,481	52,497
D-2	114								
D-2	115								
D-2	116	TOTAL ELECTRIC PLANT IN SERVICE		901,099,320	375,631,925	256,685,894	246,656,289	10,414,468	11,710,745
D-2	117								
D-2	118								
D-2	119								
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D-2	136								
D-2	138								
D-2	139								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
E 1	LESS: ACCUMULATED DEPRECIATION							
E 2								
E 3	PRODUCTION PLANT ACCUMULATED DEPRECIATION	PRODPLT	126,456,703	48,144,121	37,582,523	38,476,149	736,513	1,517,397
E 4								
E 5	TRANSMISSION PLANT ACCUMULATED DEPRECIATION	TRANPLT	748,960	322,946	199,025	208,251	7,019	11,718
E 6								
E 7	DISTRIBUTION PLANT ACCUMULATED DEPRECIATION							
E 8	360-Land & Land Rights	PLT_360	(41,188)	(17,760)	(10,945)	(11,453)	(386)	(644)
E 9	361-Structures & Improvements	PLT_361	157,880	68,077	41,954	43,899	1,480	2,470
E 10	362-Station Equipment	PLT_362	20,603,201	8,883,945	5,475,008	5,728,800	193,097	322,350
E 11	364-Poles, Towers & Fixtures	PLT_364	23,220,868	10,256,342	6,320,791	6,048,660	222,927	372,147
E 12	365-Overhead Conductors & Devices	PLT_365	13,358,550	5,858,322	3,610,374	3,549,953	127,334	212,567
E 13	366-Underground Conduit	PLT_366	491,301	221,863	136,730	119,835	4,822	8,050
E 14	367-Underground Conductors & Devices	PLT_367	14,751,188	6,721,872	4,142,564	3,496,749	146,104	243,900
E 15	368-Line Transformers	PLT_368	11,816,627	5,688,275	3,505,577	2,292,741	123,638	206,397
E 16	369-Services	PLT_369	9,662,701	6,140,696	2,402,542	1,027,011	0	92,453
E 17	370-Meters	PLT_370	(1,986,010)	(1,413,900)	(450,841)	(109,884)	(4,575)	(6,810)
E 18	371-Installation on Customer Premises	PLT_371	817,575	0	0	0	817,575	0
E 19	373-Street Lighting & Signal Systems	PLT_373	787,775	0	0	0	787,775	0
E 20	Accum Dep Adjustment	DISTPLT	265,485	123,745	71,052	60,928	5,778	3,983
E 21	TOTAL DISTRIBUTION PLANT ACCUMULATED DEPRECIATION		93,905,953	42,531,476	25,244,806	22,247,240	2,425,568	1,456,864
E 22								
E 23	GENERAL PLANT ACCUMULATED DEPRECIATION	GENLPLT	15,927,678	7,475,286	4,295,879	3,834,507	142,388	179,618
E 24								
E 25	OTHER UTILITY ACCUMULATED DEPRECIATION	SALWAGES	14,671,698	6,894,232	3,954,675	3,526,711	130,891	165,189
E 26								
E 27	TOTAL ACCUMULATED DEPRECIATION		251,710,991	105,368,061	71,276,908	68,292,858	3,442,379	3,330,785
E 28								
E 29	AMORTIZATION OF PLANT ACQUISITION	PRODPLT	2,835,303	1,079,446	842,643	862,679	16,513	34,022
E 30								
E 31	NET ELECTRIC PLANT IN SERVICE		646,553,026	269,184,418	184,566,342	177,500,752	6,955,576	8,345,938
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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule O-1
Page 8 of 35

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F 1	ADDITIONS AND DEDUCTIONS TO RATE BASE							
F 2								
F 3	PLUS: ADDITIONS TO RATE BASE							
F 4	WORKING CAPITAL							
F 5	Cash Working Capital (Lead Lag)	SCH F-3, LN 40	(5,360,457)	(2,342,155)	(1,496,755)	(1,403,694)	(52,683)	(65,169)
F 6	Fuel Inventory	ENEFUEL	6,389,875	2,212,370	1,747,553	2,262,600	61,812	105,540
F 7	Materials and Supplies	TOTPLT	12,332,720	5,141,013	3,513,081	3,375,813	142,536	160,277
F 8	Prepayments	OMXFPP	501,028	227,135	137,506	126,250	4,384	5,753
F 9	TOTAL WORKING CAPITAL		13,863,167	5,238,363	3,901,386	4,360,969	156,048	206,401
F 10								
F 11	LESS: DEDUCTIONS TO RATE BASE							
F 12	Customer Advances for Construction	CUSTADV	1,339,142	327,436	746,692	243,646	9,747	11,621
F 13	Regulatory Assets - S&W Related	SALWAGES	(25,300,778)	(11,888,838)	(6,819,685)	(6,081,678)	(225,717)	(284,861)
F 14	Regulatory Assets - Plant Related	TOTPLT	(3,306,466)	(1,378,332)	(941,875)	(905,073)	(38,215)	(42,971)
F 15	Regulatory Assets - Decommissioning	PRODPLT	(12,478,227)	(4,750,664)	(3,708,489)	(3,796,668)	(72,676)	(149,730)
F 16	Regulatory Assets - Storm Atlas	OHDIST	(3,310,806)	(1,458,359)	(898,759)	(869,073)	(31,698)	(52,916)
F 17	Regulatory Liabilities - S&W Related	SALWAGES	39,243,073	18,440,323	10,577,754	9,433,058	350,100	441,838
F 18	Regulatory Liabilities - Plant Related	TOTPLT	671,583	279,956	191,306	183,831	7,762	8,728
F 19	Deferred Income Taxes and Credits							
F 20	Deferred Income Tax - Property (Debit)	TOTPLT	(9,484,797)	(3,957,998)	(2,704,675)	(2,598,994)	(109,736)	(123,395)
F 21	Deferred Income Tax - S&W (Debit)	SALWAGES	(21,205,189)	(9,964,320)	(5,715,742)	(5,097,200)	(189,178)	(238,749)
F 22	Deferred Income Tax - Customer (Debit)	CUST	342,714	274,082	61,507	2,637	3,381	1,107
F 23	Deferred Income Tax - Property (Credit)	TOTPLT	147,193,716	61,359,117	41,929,396	40,291,070	1,701,193	1,912,939
F 24	Deferred Income Tax - Other (Credit)	SALWAGES	4,020,264	1,889,122	1,083,640	966,372	35,866	45,264
F 25	Total Deferred Income Taxes and Credits		120,856,708	49,600,004	34,654,127	33,563,885	1,441,526	1,597,166
F 26	TOTAL DEDUCTIONS TO RATE BASE		117,714,228	49,171,526	33,801,071	31,771,928	1,440,829	1,528,874
F 27								
F 28								
F 29	TOTAL RATE BASE		542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
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F 31								
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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F-3 1	CASH WORKING CAPITAL (LEAD LAG)							
F-3 2								
F-3 3	O&M EXPENSE PER DAY RELATED CASH WORKING CAPITAL							
F-3 4	Purchased Fuel (Coal, Gas, & Oil)	ENEFUEL	0	0	0	0	0	0
F-3 5	Coal Transportation	ENEFUEL	0	0	0	0	0	0
F-3 6	Natural Gas - Other Production	ENEFUEL	0	0	0	0	0	0
F-3 7	Purchased Power	OX_555	17,703	6,740	5,261	5,386	103	212
F-3 8	Transmission	TRANPLT	0	0	0	0	0	0
F-3 9	Labor	SALWAGES	34,511	16,217	9,302	8,296	308	389
F-3 10	Employee Benefits	SALWAGES	45	21	12	11	0	1
F-3 11	Service Company Charges	SALWAGES	87,596	41,161	23,611	21,056	781	986
F-3 12	Other O&M	OMXPPP	51,471	23,334	14,126	12,970	450	591
F-3 13	Wyodak Power Plant O&M	PRODPLT	9,006	3,429	2,676	2,740	52	108
F-3 14	TOTAL O&M		200,331	90,901	54,989	50,458	1,696	2,287
F-3 15								
F-3 16	TAXES OTHER THAN INCOME TAXES							
F-3 17	Property Taxes	TOTPLT	12,599	5,252	3,589	3,449	146	164
F-3 18	Unemployment Taxes (FUTA & SUTA)	SALWAGES	257	121	69	62	2	3
F-3 19	Montana Electric Energy	CLAIMREV	0	0	0	0	0	0
F-3 20	Wyoming Franchise Tax	CLAIMREV	0	0	0	0	0	0
F-3 21	South Dakota PUC	CLAIMREV	686	300	191	179	7	8
F-3 22	Wyoming PSC	CLAIMREV	0	0	0	0	0	0
F-3 23	FICA Taxes - Employer's	SALWAGES	7,606	3,574	2,050	1,828	68	86
F-3 24	TOTAL TAXES OTHER THAN INCOME TAXES		21,148	9,247	5,900	5,518	223	261
F-3 25								
F-3 26	Depreciation Expense	TOTPLT	122,093	50,896	34,779	33,420	1,411	1,587
F-3 27	Amortization Expense	PRODPLT	10,824	4,121	3,217	3,293	63	130
F-3 28	TOTAL DEPRECIATION/AMORTIZATION		132,917	55,016	37,996	36,714	1,474	1,717
F-3 29								
F-3 30	FEDERAL INCOME TAXES	CLAIMREV	48,652	21,270	13,578	12,722	485	598
F-3 31								
F-3 32	INTEREST EXPENSE	TOTPLT	51,549	21,489	14,684	14,111	596	670
F-3 33								
F-3 34	GRAND TOTAL		454,598	197,923	127,147	119,522	4,473	5,532
F-3 35								
F-3 36	CWC REQUIREMENT (GRAND TOTAL x EXPENSE LAG)		(4,255,037)	(1,852,560)	(1,190,098)	(1,118,730)	(41,868)	(51,781)
F-3 37								
F-3 38	LESS: TAX COLLECTIONS AVAILABLE		(1,105,420)	(489,595)	(306,657)	(284,964)	(10,815)	(13,388)
F-3 39								
F-3 40	NET CASH WORKING CAPITAL REQUIREMENT		(5,360,457)	(2,342,155)	(1,496,755)	(1,403,694)	(52,683)	(65,169)
F-3 41								
F-3 42								
F-3 43								
F-3 44								
F-3 45								
F-3 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
F-3 1								
F-3 2	CASH WORKING CAPITAL (LEAD LAG) CONTINUED							
F-3 3								
F-3 4	<u>LAG/LEAD DAYS</u>							
F-3 5	REVENUE LAG DAYS		33.98					
F-3 6	EXPENSE LEAD DAYS		<u>43.34</u>					
F-3 7	NET DAYS		(9.36)					
F-3 8								
F-3 9	TAX COLLECTIONS AVAILABLE							
F-3 10	FICA Taxes (Employee Contribution)	SALWAGES	(65,496)	(30,777)	(17,654)	(15,744)	(584)	(737)
F-3 11	Federal Withholding Tax	SALWAGES	(127,912)	(60,106)	(34,478)	(30,747)	(1,141)	(1,440)
F-3 12	South Dakota Sales and Use Tax	CLAIMREV	(912,012)	(398,712)	(254,525)	(238,474)	(9,090)	(11,211)
F-3 13	Wyoming Sales and Use Tax	CLAIMREV	0	0	0	0	0	0
F-3 14	TOTAL TAX COLLECTIONS AVAILABLE		(1,105,420)	(489,595)	(306,657)	(284,964)	(10,815)	(13,388)
F-3 15								
F-3 16								
F-3 17								
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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL SOUTH DAKOTA (c)	RESIDENTIAL SERVICE (d)	GENERAL SERVICE (e)	GS LARGE/ INDUSTRIAL CONTRACT (h)	LIGHTING SERVICE (i)	WATER PUMP IRRIGATION (j)
1	OPERATING REVENUES							
2								
3	SALES REVENUES							
4	Sales of Electricity Revenues		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
5	Contract Revenues	DPROD	19,288,845	7,343,577	5,732,582	5,868,890	112,343	231,453
6	TOTAL SALES OF ELECTRICITY		143,458,198	56,353,565	47,729,979	35,697,617	1,814,759	1,862,278
7								
8	OTHER OPERATING REVENUES							
9	Unbilled and Cost Adjustment Revenue	Direct Assignment	0	0	0	0	0	0
10	Demand Side Management Revenue	SREVDSM	(968,002)	(434,202)	(290,340)	(215,821)	(10,468)	(17,171)
11	450-Forfeited Discounts	OX_904	258,273	241,978	15,224	0	1,071	0
12	451-Miscellaneous Service Revenues	DISTPLT	455,894	212,495	122,011	104,626	9,921	6,840
13	454-Rent from Electric Property	TDPLT	6,054,614	2,819,547	1,620,260	1,393,065	130,856	90,887
14	456-Other Electric Revenues - Transmission	TRANPLT	0	0	0	0	0	0
15	TOTAL OTHER OPERATING REV		5,800,779	2,839,818	1,467,155	1,281,870	131,380	80,556
16								
17	TOTAL OPERATING REVENUES		149,258,977	59,193,383	49,197,134	36,979,488	1,946,139	1,942,834
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H	1								
H	2	OPERATION & MAINTENANCE EXPENSE							
H	3								
H	4								
H	5	PRODUCTION EXPENSE							
H	6								
H	7	Steam Production Operation							
H	8	500-Supervision & Engineering	SALWAGPO	1,575,786	599,927	468,319	479,454	9,178	18,908
H	9	501-Fuel	ENEFUEL	0	0	0	0	0	0
H	10	502-Steam Expense	DPROD	1,898,285	722,708	564,164	577,579	11,056	22,778
H	11	505-Electric Expense	DPROD	1,047,976	398,982	311,455	318,861	6,104	12,575
H	12	506-Miscellaneous Steam Power Expense	DPROD	704,792	268,326	209,462	214,442	4,105	8,457
H	13	507-Rent	DPROD	2,747,830	1,046,144	816,646	836,064	16,004	32,972
H	14	509-Allowances	DPROD	0	0	0	0	0	0
H	15	Total Steam Production Operation		7,974,670	3,036,086	2,370,046	2,426,400	46,446	95,691
H	16								
H	17	Steam Production Maintenance							
H	18	510-Supervision & Engineering	SALWAGPM	1,335,855	508,582	397,012	406,462	7,780	16,029
H	19	511-Maintenance of Structures	DPROD	681,505	259,460	202,541	207,357	3,969	8,178
H	20	512-Maintenance of Boilers	DPROD	3,081,595	1,173,213	915,840	937,617	17,948	36,977
H	21	513-Maintenance of Electric Plant	DPROD	544,270	207,212	161,755	165,601	3,170	6,531
H	22	514-Maintenance of Miscellaneous Steam Plant	DPROD	118,124	44,972	35,106	35,941	688	1,417
H	23	Total Steam Production Maintenance		5,761,349	2,193,439	1,712,254	1,752,968	33,555	69,132
H	24								
H	25	Total Steam Production Expense		13,736,019	5,229,526	4,082,301	4,179,368	80,002	164,823
H	26								
H	27	Other Production Operation							
H	28	546-Operation Supervision and Engineering	SALWAGPO	310,307	118,139	92,222	94,415	1,807	3,723
H	29	547-Fuel	ENEFUEL	0	0	0	0	0	0
H	30	548-Generation Expense	DPROD	609,718	232,130	181,206	185,515	3,551	7,316
H	31	549-Miscellaneous Other Power Generation	DPROD	1,032,324	393,023	306,803	314,098	6,012	12,387
H	32	550-Rents	DPROD	204,285	77,775	60,713	62,156	1,190	2,451
H	33	Total Other Production Operation		2,156,634	821,066	640,945	656,185	12,561	25,878
H	34								
H	35	Other Production Maintenance							
H	36	551-Supervision & Engineering	SALWAGPM	184,556	70,263	54,849	56,154	1,075	2,215
H	37	552-Structures	DPROD	86,885	33,078	25,822	26,436	506	1,043
H	38	553-Maintenance of Generating and Electric Plant	DPROD	1,904,803	725,189	566,101	579,562	11,094	22,856
H	39	554-Maintenance of Miscellaneous Other Power	DPROD	516,089	196,484	153,380	157,027	3,006	6,193
H	40	556-System Control and Load Dispatching	DPROD	1,132,707	431,240	336,637	344,641	6,597	13,592
H	41	557-Other Expenses	DPROD	1,797	684	534	547	10	22
H	42	Total Other Production Maintenance		3,826,836	1,456,939	1,137,323	1,164,366	22,288	45,920
H	43								
H	44	Total Other Production Expense		5,983,470	2,278,004	1,778,268	1,820,551	34,849	71,798
H	45								
H	46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 47	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 48								
H 49								
H 50	PRODUCTION EXPENSE (CONT.)							
H 51								
H 52	Other Power Supply							
H 53	555 - Purchased Power - Energy	ENERGY1	0	0	0	0	0	0
H 54	555 - Purchased Power - Capacity	DPROD	6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
H 55	Total Other Power Supply		6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
H 56								
H 57	TOTAL PRODUCTION EXPENSE		26,180,962	9,967,518	7,780,897	7,965,909	152,484	314,154
H 58								
H 59								
H 60	TRANSMISSION EXPENSES							
H 61								
H 62	Operation							
H 63	560-Supervision & Engineering	SALWAGTO	187,969	81,051	49,950	52,266	1,762	2,941
H 64	561-Load Dispatch	TRANPLT	0	0	0	0	0	0
H 65	562-Station Equipment	TRANPLT	0	0	0	0	0	0
H 66	563-Overhead Lines	TRANPLT	17,212	7,422	4,574	4,786	161	269
H 67	565-Transmission of Electricity by Others	TRANPLT	0	0	0	0	0	0
H 68	566-Miscellaneous	TRANPLT	28,154	12,140	7,482	7,828	264	440
H 69	567-Rents	TRANPLT	0	0	0	0	0	0
H 70	Total Transmission Operation		233,336	100,613	62,006	64,880	2,187	3,651
H 71								
H 72	Maintenance							
H 73	568-Maintenance Supervision & Engineering	SALWAGTM	50	22	13	14	0	1
H 74	569-Maintenance of Structures	TRANPLT	0	0	0	0	0	0
H 75	570-Maintenance of Station Equipment	TRANPLT	32,453	13,994	8,624	9,024	304	508
H 76	571-Maintenance of Overhead Lines	TRANPLT	16,488	7,110	4,381	4,585	155	258
H 77	572-Maintenance of Underground Lines	TRANPLT	0	0	0	0	0	0
H 78	573-Maint. of Miscellaneous Transmission Plant	TRANPLT	1,008	435	268	280	9	16
H 79	Total Transmission Maintenance		49,999	21,559	13,287	13,902	469	782
H 80								
H 81	TOTAL TRANSMISSION EXPENSE		283,335	122,172	75,292	78,782	2,655	4,433
H 82								
H 83								
H 84								
H 85								
H 86								
H 87								
H 88								
H 89								
H 90								
H 91								
H 92								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H 93	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H 94								
H 95								
H 96	DISTRIBUTION EXPENSES							
H 97	Operation							
H 98	580-Supervision	SALWAGDO	1,620,799	847,607	418,705	315,678	18,932	19,878
H 99	581-Load Dispatch	DISTPLT	599,687	279,518	160,494	137,626	13,050	8,997
H 100	582-Station Equipment	PLT_362	375,020	161,706	99,656	104,276	3,515	5,867
H 101	583-Overhead Lines	OHDIST	461,010	203,068	125,147	121,013	4,414	7,368
H 102	584-Underground Lines	UGDIST	298,571	135,939	83,777	70,968	2,955	4,932
H 103	585-Street Lighting	PLT_3713	1	0	0	0	1	0
H 104	586-Metering	CMETERS	756,867	538,836	171,815	41,877	1,744	2,595
H 105	587-Customer Installations	CMETERS	21,902	15,593	4,972	1,212	50	75
H 106	588-Miscellaneous	DISTPLT	343,006	159,877	91,799	78,719	7,465	5,146
H 107	589-Rents	DISTPLT	16,570	7,723	4,435	3,803	361	249
H 108	Total Distribution Operation		4,493,432	2,349,867	1,160,800	875,171	52,486	55,108
H 109								
H 110	Maintenance							
H 111	590-Supervision	SALWAGDM	1,179	519	316	299	26	18
H 112	591-Structures	DISTPLT	0	0	0	0	0	0
H 113	592-Station Equipment	PLT_362	240,304	103,617	63,857	66,817	2,252	3,760
H 114	593-Overhead Lines	OHDIST	3,517,711	1,549,498	954,926	923,385	33,679	56,223
H 115	594-Underground Lines	UGDIST	229,373	104,433	64,360	54,520	2,270	3,789
H 116	595-Transformers	PLT_368	45,831	22,062	13,596	8,892	480	801
H 117	596-Street Lighting	PLT_3713	54,502	0	0	0	54,502	0
H 118	597-Metering	CMETERS	66,547	47,377	15,107	3,682	153	228
H 119	598-Miscellaneous	DISTPLT	88,738	41,361	23,749	20,365	1,931	1,331
H 120	Total Distribution Maintenance		4,244,184	1,868,867	1,135,912	1,077,961	95,294	66,150
H 121								
H 122	TOTAL DISTRIBUTION EXPENSES							
H 123								
H 124	TOTAL OPER & MAINT EXP (PROD, TRAN, & DIST)							
H 125								
H 126								
H 127								
H 128								
H 129								
H 130								
H 131								
H 132								
H 133								
H 134								
H 135								
H 136								
H 137								
H 138								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH	LINE	DESCRIPTION	ALLOCATION	TOTAL	RESIDENTIAL	GENERAL	GS LARGE/	LIGHTING	WATER PUMP
NO.	NO.	(a)	BASIS	SOUTH	SERVICE	SERVICE	INDUSTRIAL/	SERVICE	IRRIGATION
			(b)	DAKOTA	(d)	(e)	(h)	(i)	(j)
H	139	OPERATION & MAINTENANCE EXPENSE CONTINUED							
H	140								
H	141								
H	142	CUSTOMER ACCOUNTS EXPENSES							
H	143	901-Supervision	SALWAGCA	51,163	42,237	8,026	320	446	134
H	144	902-Meter Reading	CMETRDG	19,153	15,436	3,464	148	43	62
H	145	903-Customer Records and Collection Expense	CUSTREC	1,161,267	928,711	208,413	8,936	11,456	3,751
H	146	904-Uncollectible Accounts	EXP_904	406,612	380,958	23,967	0	1,687	0
H	147	905-Miscellaneous CA	CUSTCAM	580,318	464,103	104,150	4,465	5,725	1,874
H	148	TOTAL CUSTOMER ACCTS EXPENSE		2,218,513	1,831,445	348,020	13,869	19,357	5,821
H	149								
H	150								
H	151	CUSTOMER SERVICE EXPENSES							
H	152	907-Supervision	SALWAGCS	196,095	156,825	35,193	1,509	1,935	633
H	153	908-Customer Assistance	CUSTASST	1,260,065	1,007,724	226,144	9,696	12,431	4,070
H	154	909-Advertisement	CUSTADVT	11,956	9,562	2,146	92	118	39
H	155	910-Miscellaneous CS	CUSTCSM	58,797	47,022	10,552	452	580	190
H	156	TOTAL CUSTOMER SERVICE EXPENSE		1,526,913	1,221,134	274,036	11,749	15,063	4,931
H	157								
H	158	SALES EXPENSES TOTAL	SALESREV	27,571	10,882	9,325	6,623	378	362
H	159								
H	160	TOTAL OPER & MAINT EXCLA&G		38,974,911	17,371,885	10,784,283	10,030,065	337,718	450,961
H	161								
H	162	ADMINISTRATIVE & GENERAL EXPENSE							
H	163	920-Administrative Salaries	SALWAGES	15,344,499	7,210,381	4,136,025	3,688,436	136,893	172,764
H	164	921-Office Supplies & Expense	SALWAGES	3,222,349	1,514,182	868,566	774,572	28,748	36,280
H	165	922-A&G Expense Transferred	SALWAGES	(40,321)	(18,947)	(10,868)	(9,692)	(360)	(454)
H	166	923-Outside Services	SALWAGES	2,660,128	1,249,994	717,023	639,429	23,732	29,950
H	167	xxx-Rate Case Expenses	CLAIMREV	318,081	139,049	88,765	83,167	3,170	3,910
H	168	924-Property Insurance	TOTPLT	781,005	325,569	222,476	213,783	9,026	10,150
H	169	925-Injuries and Damages	SALWAGES	2,355,333	1,106,771	634,867	566,163	21,013	26,519
H	170	926-Pensions & Benefits	SALWAGES	651,943	306,348	175,728	156,711	5,816	7,340
H	171	928-Regulatory Commission	CLAIMREV	506,479	221,422	141,349	132,435	5,048	6,226
H	172	930.1-General Advertising	SALWAGES	34,671	16,292	9,345	8,334	309	390
H	173	930.2-Miscellaneous General	SALWAGES	1,164,409	547,156	313,860	279,895	10,388	13,110
H	174	931-Rents	GENLPLT	500,385	234,844	134,960	120,465	4,473	5,643
H	175	932-Maintenance of General Plant	GENLPLT	1,154,674	541,919	311,429	277,982	10,322	13,021
H	176	TOTAL A&G EXPENSE		28,653,615	13,394,982	7,743,524	6,931,680	258,579	324,850
H	177								
H	178	TOTAL OPERATION & MAINTENANCE EXPENSES		67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
H	179								
H	180								
H	181								
H	182								
H	183								
H	184								

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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
J 1	DEPRECIATION/AMORTIZATION EXPENSE							
J 2								
J 3	PRODUCTION PLANT EXPENSE	PRODPLT	14,642,098	5,574,484	4,351,584	4,455,055	85,279	175,695
J 4								
J 5	TRANSMISSION PLANT EXPENSE	TRANPLT	85,699	36,953	22,773	23,829	803	1,341
J 6								
J 7	DISTRIBUTION PLANT EXPENSE							
J 8	360-Land & Land Rights	PLT_360	0	0	0	0	0	0
J 9	361-Structures & Improvements	PLT_361	18,922	8,159	5,028	5,261	177	296
J 10	362-Station Equipment	PLT_362	1,453,684	626,818	386,296	404,203	13,624	22,744
J 11	364-Poles, Towers & Fixtures	PLT_364	1,732,927	765,411	471,708	451,400	16,637	27,773
J 12	365-Overhead Conductors & Devices	PLT_365	1,073,617	470,829	290,163	285,307	10,234	17,084
J 13	366-Underground Conduit	PLT_366	108,180	48,852	30,107	26,387	1,062	1,773
J 14	367-Underground Conductors & Devices	PLT_367	1,047,630	477,388	294,205	248,339	10,376	17,322
J 15	368-Line Transformers	PLT_368	909,348	437,741	269,772	176,438	9,515	15,883
J 16	369-Services	PLT_369	771,020	489,987	191,707	81,949	0	7,377
J 17	370-Meters	PLT_370	180,637	128,601	41,006	9,994	416	619
J 18	371-Installation on Customer Premises	PLT_371	56,481	0	0	0	56,481	0
J 19	373-Street Lighting & Signal Systems	PLT_373	44,576	0	0	0	44,576	0
J 20	Dep Adj for SD Distribution Additions	DISTPLT	442,189	206,107	118,343	101,481	9,623	6,634
J 21	Distribution Plant Annualization	DISTPLT	371,886	173,338	99,528	85,347	8,093	5,580
J 22	TOTAL DISTRIBUTION PLANT EXPENSE		8,211,097	3,833,231	2,197,863	1,876,105	180,813	123,084
J 23								
J 24	GENERAL PLANT EXPENSE	GENLPLT	1,249,250	586,306	336,937	300,751	11,168	14,088
J 25								
J 26	OTHER UTILITY DEPRECIATION EXPENSE	SALWAGES	1,949,390	916,018	525,447	468,585	17,391	21,948
J 27								
J 28	TOTAL DEPRECIATION EXPENSE		26,137,533	10,946,993	7,434,606	7,124,324	295,455	336,157
J 29								
J 30	PLANT ACQUISITION ADJUSTMENT	SALWAGES	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
J 31								
J 32	TOTAL DEPRECIATION/AMORTIZATION EXPENSE		30,169,164	12,841,457	8,521,309	8,093,428	331,422	381,549
J 33								
J 34								
J 35								
J 36								
J 37								
J 38								
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J 46								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
L	1	OTHER OPERATING EXPENSES							
L	2								
L	3	TAXES OTHER THAN INCOME TAXES							
L	4	Federal Taxes							
L	5	FICA Tax	SALWAGES	2,626,261	1,234,080	707,894	631,288	23,430	29,569
L	6	Unemployment Tax	SALWAGES	19,686	9,250	5,306	4,732	176	222
L	7								
L	8	State Taxes							
L	9	Unemployment Tax	SALWAGES	73,890	34,721	19,917	17,761	659	832
L	10	Montana Electric Energy Tax	CLAIMREV	0	0	0	0	0	0
L	11	Wyoming Franchise Taxes	CLAIMREV	0	0	0	0	0	0
L	12	South Dakota PUC Tax	CLAIMREV	250,238	109,399	69,837	65,433	2,494	3,076
L	13	Wyoming Sales Tax	CLAIMREV	0	0	0	0	0	0
L	14								
L	15	Local Taxes							
L	16	Property	TOTPLT	4,049,818	1,688,205	1,153,625	1,108,549	46,806	52,632
L	17								
L	18	TOIT - Payroll Loading & Other	SALWAGES	(2,820,854)	(1,325,520)	(760,346)	(678,063)	(25,166)	(31,760)
L	19								
L	20	TOTAL TAXES OTHER THAN INCOME		4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
L	21								
L	22								
L	23								
L	24								
L	25								
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BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K 1	DEVELOPMENT OF INCOME TAXES							
K 2								
K 3	TOTAL OPERATING REVENUES	SCH I, LN 17	149,258,977	59,193,383	49,197,134	36,979,488	1,946,139	1,942,834
K 4								
K 5	LESS:							
K 6	OPERATION & MAINTAINENCE EXPENSE	SCH H, LN 178	67,628,526	30,766,867	18,527,806	16,961,745	596,297	775,810
K 7	DEPRECIATION EXPENSE	SCH J, LN 28	26,137,533	10,946,993	7,434,605	7,124,324	295,455	336,157
K 8	AMORTIZATION EXPENSE	SCH J, LN 30	4,031,631	1,894,464	1,086,704	969,104	35,968	45,392
K 9	TAXES OTHER THAN INCOME TAXES	SCH L, LN 20	4,199,038	1,750,136	1,196,233	1,149,700	48,399	54,570
K 10	MT STATE INCOME TAXES	CLAIMREV	0	0	0	0	0	0
K 11								
K 12	NET OPERATING INCOME BEFORE TAXES		47,262,249	13,834,923	20,951,785	10,774,615	970,021	730,904
K 13	AFUDC	TOTPLT	3,585,311	1,494,571	1,021,307	981,401	41,437	46,595
K 14	Interest Expense (Rate Base * Wtd Cost of Debt)		(16,335,329)	(6,780,063)	(4,655,466)	(4,517,703)	(170,691)	(211,406)
K 15	Subtotal		34,512,230	8,549,431	17,317,625	7,238,313	840,768	566,093
K 16								
K 17	Tax Adjustments:							
K 18	Permanent - Salaries & Wages	SALWAGES	(849,665)	(399,258)	(229,023)	(204,238)	(7,580)	(9,566)
K 19	Permanent - Plant	TOTPLT	(132,877)	(55,391)	(37,851)	(36,372)	(1,536)	(1,727)
K 20	Temporary - Salaries & Wages	SALWAGES	(2,659,174)	(1,249,546)	(716,766)	(639,199)	(23,723)	(29,940)
K 21	Temporary - Plant	TOTPLT	(9,697,584)	(4,042,531)	(2,762,440)	(2,654,502)	(112,080)	(126,030)
K 22	Temporary - Customer	CUST	(467,564)	(373,930)	(83,914)	(3,598)	(4,613)	(1,510)
K 23	Temporary - Other	CLAIMREV	1,211,073	529,455	337,987	316,673	12,070	14,887
K 24	Subtotal		(12,595,792)	(5,591,201)	(3,492,007)	(3,221,237)	(137,461)	(153,886)
K 25								
K 26	TAXABLE INCOME (NOL)		21,916,438	2,958,230	13,825,619	4,017,076	703,306	412,206
K 27								
K 28	Federal Income Tax @ 35%		7,670,753	1,035,381	4,838,967	1,405,977	246,157	144,272
K 29								
K 30	Other Tax Adjustments	TOTPLT	3,082,624	1,285,021	878,112	843,801	35,627	40,062
K 31								
K 32	TOTAL FEDERAL INCOME TAX		10,753,377	2,320,402	5,717,079	2,249,778	281,785	184,334
K 33								
K 34	TOTAL INCOME TAXES		10,753,377	2,320,402	5,717,079	2,249,778	281,785	184,334
K 35								
K 36								
K 37								
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K 40								
K 41								
K 42								
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K 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
K	47								
K	48								
K	49								
K	50								
K	51								
K	52								
K	53								
K	54								
K	55	TAX RATES							
K	56	STATE TAX RATE		0.00%					
K	57	FEDERAL TAX RATE - CURRENT		35.00%					
K	58								
K	59								
K	60								
K	61								
K	62	WEIGHTED COST OF DEBT		3.01%					
K	63								
K	64								
K	65								
K	66								
K	67								
K	68								
K	69								
K	70								
K	71								
K	72								
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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
H-1 1	DEVELOPMENT OF SALARIES & WAGES ALLOCATION FACTOR							
H-1 2								
H-1 3	PRODUCTION SALARIES & WAGES EXPENSE							
H-1 4	Operation	OX_PROD	2,563,345	975,907	761,818	779,932	14,930	30,758
H-1 5	Maintenance	MX_PROD	1,989,522	757,443	591,280	605,339	11,587	23,873
H-1 6	TOTAL PRODUCTION		4,552,867	1,733,350	1,353,097	1,385,271	26,517	54,631
H-1 7								
H-1 8	TRANSMISSION SALARIES & WAGES EXPENSE							
H-1 9	Operation	OX_TRAN	178,177	76,829	47,348	49,543	1,670	2,788
H-1 10	Maintenance	MX_TRAN	43,657	18,825	11,601	12,139	409	683
H-1 11	TOTAL TRANSMISSION		221,834	95,653	58,949	61,682	2,079	3,471
H-1 12								
H-1 13	DISTRIBUTION SALARIES & WAGES EXPENSE							
H-1 14	Operation	OX_DIST	1,343,815	702,756	347,151	261,730	15,697	16,481
H-1 15	Maintenance	MX_DIST	734,736	323,531	196,644	186,612	16,497	11,452
H-1 16	TOTAL DISTRIBUTION		2,078,550	1,026,286	543,795	448,342	32,193	27,932
H-1 17								
H-1 18	CUSTOMER ACCOUNTS SAL & WAGES EXP							
H-1 19		OX_CA	571,810	472,045	89,700	3,575	4,989	1,500
H-1 20	CUSTOMER SERVICE SAL & WAGES EXP							
H-1 21		OX_CS	490,243	392,067	87,984	3,772	4,836	1,583
H-1 22	ADMINISTRATIVE & GENERAL SALARIES & WAGES EXP							
H-1 23	Operation	SALWAGXAG	3,125,582	1,468,711	842,483	751,312	27,884	35,191
H-1 24	Maintenance	SALWAGXAG	7,555	3,550	2,036	1,816	67	85
H-1 25	TOTAL ADMINISTRATIVE & GENERAL		3,133,137	1,472,261	844,520	753,128	27,952	35,276
H-1 26								
H-1 27	TOT OPER & MAINTENANCE LABOR		11,048,440	5,191,663	2,978,046	2,655,770	98,567	124,394
H-1 28								
H-1 29								
H-1 30								
H-1 31								
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H-1 45								
H-1 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 1	ALLOCATION FACTOR TABLE							
AF 2	DEMAND							
AF 3								
AF 4	DEMAND - PRODUCTION RELATED							
AF 5	Demand Production (A&E)	DPROD	0.9923	0.3778	0.2949	0.30192	0.0058	0.0119
AF 6								
AF 6								
AF 6								
AF 9	DEMAND - TRANSMISSION RELATED							
AF 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	381.69	165	101	106	4	6
AF 11								
AF 12								
AF 13								
AF 15								
AF 16								
AF 17								
AF 18								
AF 19								
AF 20	DEMAND - DISTRIBUTION RELATED (Calculated Maximum Demand)							
AF 21	Demand Distribution Primary Substation	DDISPSUB	381.69	165	101	106	4	5.97
AF 22	Demand Distribution Primary Overhead Lines	DDISTPOL	381.69	165	101	106	4	6
AF 23	Demand Distribution Primary Underground Lines	DDISTPUL	381.69	165	101	106	4	6
AF 24								
AF 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	341.90	165	101	66	4	6
AF 26	Demand Distribution Secondary Underground Lines	DDISTSUL	341.90	165	101	66	4	6
AF 27	Demand Distribution Overhead Line Transformers	DDISTSOT	341.90	165	101	66	4	6
AF 28	Demand Distribution Undergrnd Line Transformers	DDISTSUT	341.90	165	101	66	4	6
AF 29								
AF 30								
AF 31								
AF 32								
AF 33								
AF 34								
AF 35								
AF 36								
AF 37								
AF 38								
AF 39								
AF 40								
AF 41								
AF 42								
AF 43								
AF 44								
AF 45								
AF 46								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 47	ALLOCATION FACTOR TABLE CONTINUED							
AF 48								
AF 49	ENERGY							
AF 50	Energy @ Generation with losses (kWh)	ENEFUEL	1,598,536,895	553,462,244	437,180,456	566,028,135	15,463,378	26,402,681
AF 51	Energy @ Generation with losses(kWh)	ENERGY1	1,598,536,895	553,462,244	437,180,456	566,028,135	15,463,378	26,402,681
AF 52	Energy @ Meter (kWh Sales)	ENERGY2	1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
AF 53								
AF 54								
AF 55								
AF 56								
AF 57								
AF 58								
AF 59								
AF 60								
AF 61	CUSTOMER							
AF 62								
AF 63	Customer Dist. Primary Substation	CDISPSUB	65,583	52,450	11,770	504	647	212
AF 64	Customer Dist. Primary Overhead Lines	CDISTPOL	64,936	52,450	11,770	504	0	212
AF 65	Customer Dist. Primary Underground Lines	CDISTPUL	64,936	52,450	11,770	504	0	212
AF 66								
AF 67								
AF 68								
AF 69								
AF 70								
AF 71								
AF 72	369-Services	CSERVICE	624	397	155	66	-	6
AF 73	370-Meters	CMETERS	15,336,942	10,918,828	3,481,618	848,577	35,332	52,587
AF 74								
AF 75	902-Meter Reading	CMETRDG	780,982	629,400	141,244	6,044	1,752	2,542
AF 76	903-Customer Records and Collections	CUSTREC	787,006	629,400	141,244	6,056	7,764	2,542
AF 77	905-Miscellaneous Customer Accounts	CUSTCAM	65,584	52,450	11,770	505	647	212
AF 78	908-Customer Assistance	CUSTASST	65,584	52,450	11,770	505	647	212
AF 79	909-Advertisement	CUSTADVT	65,584	52,450	11,770	505	647	212
AF 80	910-Miscellaneous Customer Service	CUSTCSM	65,584	52,450	11,770	505	647	212
AF 81								
AF 82								
AF 83								
AF 84	371-Installation on Customer Premises	CUSTPREM	404	0	0	0	404	0
AF 85	373-Street Lighting & Signal Systems	CLIGHT	4,283,802	0	0	0	4,283,802	0
AF 86								
AF 87	Number of Bills	CUSTBILLS	787,006	629,400	141,244	6,056	7,764	2,542
AF 88	Number of Customers	CUST	65,584	52,450	11,770	505	647	211.81
AF 89								
AF 90								
AF 91								
AF 92								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 93	ALLOCATION FACTOR TABLE CONTINUED							
AF 94	<u>INTERNALLY DEVELOPED ALLOCATION FACTORS</u>							
AF 95								
AF 96	Plant							
AF 97	Prod, Trans, and Distr Plant in Service	PTDPLT	830,616,159	342,926,606	237,559,414	229,418,547	9,798,430	10,913,161
AF 98	Distribution Plant Excl Not Classified	DISTPLTXNC	280,308,957	130,653,961	75,019,174	64,330,121	6,100,115	4,205,587
AF 99	Rate Base	RATEBASE	542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
AF 100	Total Electric Plant In Service	TOTPLT	901,099,320	375,631,925	256,685,894	246,656,289	10,414,468	11,710,745
AF 101	Production Plant In Service	PRODPLT	516,414,181	196,607,266	153,476,624	157,125,948	3,007,714	6,196,629
AF 102	Transmission Plant in Service	TRANPLT	3,791,973	1,635,070	1,007,663	1,054,373	35,539	59,328
AF 103	Distribution Plant in Service	DISTPLT	310,410,006	144,684,270	83,075,127	71,238,227	6,755,177	4,657,205
AF 104	Total Transmission and Distribution Plant	TDPLT	314,201,978	146,319,340	84,082,790	72,292,600	6,790,716	4,716,533
AF 105	General Plant in Service	GENLPLT	42,812,585	20,093,095	11,547,049	10,306,911	382,729	482,802
AF 106								
AF 107	Account 360	PLT_360	2,022,060	871,897	537,334	562,242	18,951	31,636
AF 108	Account 361	PLT_361	700,802	302,180	186,228	194,861	6,568	10,964
AF 109	Account 362	PLT_362	58,163,248	25,079,554	15,456,058	16,172,518	545,118	910,001
AF 110	Account 364	PLT_364	64,182,500	28,348,540	17,470,673	16,718,502	616,171	1,028,615
AF 111	Account 365	PLT_365	39,763,582	17,438,111	10,746,780	10,566,930	379,027	632,734
AF 112	Account 366	PLT_366	4,006,882	1,809,350	1,115,069	977,284	39,327	65,652
AF 113	Account 367	PLT_367	38,801,103	17,681,020	10,896,481	9,197,748	384,307	641,548
AF 114	Account 368	PLT_368	33,679,565	16,212,631	9,991,541	6,534,734	352,390	588,268
AF 115	Account 369	PLT_369	28,556,304	18,147,676	7,100,262	3,035,138	0	273,228
AF 116	Account 370	PLT_370	6,690,268	4,763,002	1,518,748	370,165	15,412	22,939
AF 117	Account 371	PLT_371	2,091,882	0	0	0	2,091,882	0
AF 118	Account 373	PLT_373	1,650,961	0	0	0	1,650,961	0
AF 119	Distribution Overhead Plant in Service	OHDIST	103,946,082	45,786,650	28,217,454	27,285,431	995,198	1,661,349
AF 120	Distribution Underground Plant in Service	UGDIST	42,807,785	19,490,370	12,011,549	10,175,032	423,634	707,200
AF 121	Account 371&373	PLT_3713	3,742,843	0	0	0	3,742,843	0
AF 122								
AF 123	Other Customer Class	DPLTOTH	2,368,549	0	0	0	0	2,368,549
AF 124	Residential Regular Sales Revenue	DPLTRESR	44,242,053	44,242,053	0	0	0	0
AF 125	Residential Electric Sales Revenue	DPLTRESE	10,482,511	10,482,511	0	0	0	0
AF 126	Residential Demand Sales Revenue	DPLTRESR	10,552,455	10,552,455	0	0	0	0
AF 127	GS Regular Sales Revenue	DPLTGSR	35,051,509	0	35,051,509	0	0	0
AF 128	GS Total Electric Sales Revenue	DPLTGSE	3,306,463	0	3,306,463	0	0	0
AF 129	GSL Secondary	DPLTGSL	25,344,622	0	0	25,344,622	0	0
AF 130	GSL Primary	DPLTGSLP	1,331,206	0	0	1,331,206	0	0
AF 131								
AF 132								
AF 133								
AF 134	Total O&M less Fuel and Purchased Power	OMXFPP	69,114,152	31,332,084	18,968,198	17,415,532	604,732	793,606
AF 135	Supervised O&M Expense excluding CUS	OMXFPP	32,496,868	14,904,174	8,859,519	8,060,272	299,724	373,179
AF 136								
AF 137								
AF 138								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 139	ALLOCATION FACTOR TABLE CONTINUED							
AF 140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF 141	Production Expense							
AF 142	Account 500	OX_500	1,575,786	599,927	468,319	479,454	9,178	18,908
AF 143	Account 501	OX_501	0	0	0	0	0	0
AF 144	Account 502	OX_502	1,898,285	722,708	564,164	577,579	11,056	22,778
AF 145	Account 505	OX_505	1,047,976	398,982	311,455	318,861	6,104	12,575
AF 146	Account 506	OX_506	704,792	268,326	209,462	214,442	4,105	8,457
AF 147	Account 510	MX_510	1,335,855	508,582	397,012	406,452	7,780	16,029
AF 148	Account 511	MX_511	681,505	259,460	202,541	207,357	3,969	8,178
AF 149	Account 512	MX_512	3,081,595	1,173,213	915,840	937,617	17,948	36,977
AF 150	Account 513	MX_513	544,270	207,212	161,755	165,601	3,170	6,531
AF 151	Account 514	MX_514	118,124	44,972	35,106	35,941	688	1,417
AF 152	Account 546	OX_546	310,307	118,139	92,222	94,415	1,807	3,723
AF 153	Account 547	OX_547	0	0	0	0	0	0
AF 154	Account 548	OX_548	609,718	232,130	181,206	185,515	3,551	7,316
AF 155	Account 549	OX_549	1,032,324	393,023	306,803	314,098	6,012	12,387
AF 156	Account 551	MX_551	184,556	70,283	54,849	56,154	1,075	2,215
AF 157	Account 552	MX_552	86,885	33,078	25,822	26,436	506	1,043
AF 158	Account 553	MX_553	1,904,803	725,189	566,101	579,562	11,094	22,856
AF 159	Account 554	MX_554	516,089	196,484	153,380	157,027	3,006	6,193
AF 160	Account 556	OX_556	1,134,504	431,924	337,171	345,188	6,608	13,613
AF 161	Account 555	OX_555	6,461,473	2,459,988	1,920,329	1,965,990	37,633	77,533
AF 162	Account 557	OX_557	0	0	0	0	0	0
AF 163	O&M Expense Production Operation	OX_PROD	5,293,096	2,015,168	1,573,091	1,610,495	30,828	63,514
AF 164	O&M Expense Production Maintenance	MX_PROD	13,827,328	5,264,286	4,109,437	4,207,150	80,534	165,919
AF 165	Salaries and Wages Production Operation	SALWAGPO	2,563,345	975,907	761,818	779,932	14,930	30,758
AF 166	Salaries and Wages Production Maintenance	SALWAGPM	1,989,522	757,443	591,280	605,339	11,587	23,873
AF 167	Transmission Expense							
AF 168	Account 560	OX_560	187,969	81,051	49,950	52,266	1,762	2,941
AF 169	Account 561	OX_561	0	0	0	0	0	0
AF 170	Account 562	OX_562	0	0	0	0	0	0
AF 171	Account 563	OX_563	17,212	7,422	4,574	4,786	161	269
AF 172	Account 565	OX_565	0	0	0	0	0	0
AF 173	Account 566	OX_566	28,154	12,140	7,482	7,828	264	440
AF 174	Account 567	OX_567	0	0	0	0	0	0
AF 175	Account 568	MX_568	50	22	13	14	0	1
AF 176	Account 569	MX_569	0	0	0	0	0	0
AF 177	Account 570	MX_570	32,453	13,994	8,624	9,024	304	508
AF 178	Account 571	MX_571	16,488	7,110	4,381	4,585	155	258
AF 179	Account 573	MX_573	1,008	435	268	280	9	16
AF 180	O&M Accounts 561-567	OX_TRAN	45,366	19,562	12,055	12,614	425	710
AF 181	O&M Accounts 569-573	MX_TRAN	49,949	21,538	13,273	13,889	468	781
AF 182	Salaries & Wages Accounts 561-567	SALWAGTO	178,177	76,829	47,348	49,543	1,670	2,788
AF 183	Salaries & Wages Accounts 569-573	SALWAGTM	43,657	18,825	11,601	12,139	409	683
AF 184								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
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SCH LINE NO.	NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF	185	ALLOCATION FACTOR TABLE CONTINUED							
AF	186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AF	187	Distribution Expense							
AF	188	Account 580	OX_580	1,620,799	847,607	418,705	315,678	18,932	19,878
AF	189	Account 581	OX_581	599,687	279,518	160,494	137,626	13,050	8,997
AF	190	Account 582	OX_582	375,020	161,706	99,656	104,276	3,515	5,867
AF	191	Account 583	OX_583	461,010	203,068	125,147	121,013	4,414	7,368
AF	192	Account 584	OX_584	298,571	135,939	83,777	70,968	2,955	4,932
AF	193	Account 585	OX_585	1	0	0	0	1	0
AF	194	Account 586	OX_586	756,867	538,836	171,815	41,877	1,744	2,595
AF	195	Account 587	OX_587	21,902	15,593	4,972	1,212	50	75
AF	196	Account 588	OX_588	343,006	159,877	91,799	78,719	7,465	5,146
AF	197	Account 589	OX_589	16,570	7,723	4,435	3,803	361	249
AF	198	Account 590	MX_590	1,179	519	316	299	26	18
AF	199	Account 592	MX_592	240,304	103,617	63,857	66,817	2,252	3,760
AF	200	Account 593	MX_593	3,517,711	1,549,498	954,926	923,385	33,679	56,223
AF	201	Account 594	MX_594	229,373	104,433	64,360	54,520	2,270	3,789
AF	202	Account 595	MX_595	45,831	22,062	13,596	8,892	480	801
AF	203	Account 596	MX_596	54,502	0	0	0	54,502	0
AF	204	Account 597	MX_597	66,547	47,377	15,107	3,682	153	228
AF	205	Account 598	MX_598	88,738	41,361	23,749	20,365	1,931	1,331
AF	206	O&M Accounts 581-589	OX_DIST	2,872,633	1,502,261	742,095	559,493	33,554	35,231
AF	207	O&M Accounts 591-598	MX_DIST	4,243,005	1,868,348	1,135,596	1,077,662	95,267	66,132
AF	208	Salaries & Wages Accounts 581-589	SALWAGDO	1,343,815	702,756	347,151	261,730	15,697	16,481
AF	209	Salaries & Wages Accounts 591-598	SALWAGDM	734,736	323,531	196,644	186,612	16,497	11,452
AF	210								
AF	211	Account 902	OX_902	19,153	15,436	3,464	148	43	62
AF	212	Account 903	OX_903	1,161,267	928,711	208,413	8,936	11,456	3,751
AF	213	Account 904	OX_904	406,612	380,958	23,967	0	1,687	0
AF	214	O&M Accounts 902-905	OX_CA	2,167,350	1,789,208	339,994	13,549	18,911	5,687
AF	215	Salaries & Wages Accounts 902-905	SALWAGCA	571,810	472,045	89,700	3,575	4,989	1,500
AF	216								
AF	217	Account908	OX_908	1,260,065	1,007,724	226,144	9,696	12,431	4,070
AF	218	Account909	OX_909	11,956	9,562	2,146	92	118	39
AF	219	Account910	OX_910	58,797	47,022	10,552	452	580	190
AF	220	O&M Accounts 908-910	OX_CS	1,330,818	1,064,308	238,843	10,240	13,129	4,298
AF	221	Salaries & Wages Accounts 908-910	SALWAGCS	490,243	392,067	87,984	3,772	4,836	1,583
AF	222								
AF	223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	7,915,304	3,719,402	2,133,526	1,902,642	70,615	89,118
AF	224	Total Salaries and Wages Expense	SALWAGES	11,048,440	5,191,663	2,978,046	2,655,770	98,567	124,394
AF	225								
AF	226								
AF	227								
AF	228								
AF	229								
AF	230								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AF 231	REVENUES AND BILLING DETERMINANTS							
AF 232								
AF 233	Base Rate Sales Revenue	SALESREV	124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
AF 234	Other Sales Revenue	SREVOTH	1,630,824	0	0	0	0	1,630,824
AF 235	Residential Regular Sales Revenue	SREVRESR	35,492,218	35,492,218	0	0	0	0
AF 236	Residential Total Electric Sales Revenue	SREVRESE	7,437,951	7,437,951	0	0	0	0
AF 237	Residential Total Electric Demand Sales Rev	SREVRESED	6,079,820	6,079,820	0	0	0	0
AF 238	GS Regular Sales Revenue	SREVSGSR	38,157,474	0	38,157,474	0	0	0
AF 239	GS Total Electric Sales Revenue	SREVSGSE	3,448,305	0	3,448,305	0	0	0
AF 240	GS Total Other Sales Revenue	SREVSGSO	391,618	0	391,618	0	0	0
AF 241	GSL Secondary	SREVGSL S	20,464,147	0	0	20,464,147	0	0
AF 242	GSL Primary	SREVGSL P	1,292,293	0	0	1,292,293	0	0
AF 243	GSL Other	SREVGSL O	1,013,376	0	0	1,013,376	0	0
AF 244	Traffic Signals & Flashers	SREVTSF	61,795	0	0	0	61,795	0
AF 245	Private Area Lighting Leased	SREVPAL	522,251	0	0	0	522,251	0
AF 246	Street Lighting Leased	SREVS L	713,215	0	0	0	713,215	0
AF 247	Street Lighting Energy & Maint Cust Owned	SREVSLEM	346,207	0	0	0	346,207	0
AF 248	Street Lighting Non-Metered Services/Rentals	SREVSLSR	58,949	0	0	0	58,949	0
AF 249						0		
AF 250	Claimed Rate Sales Revenue	CLAIMREV	138,803,591	60,681,967	38,737,436	36,294,538	1,383,411	1,706,240
AF 251								
AF 252	PRESENT REVENUES FROM SALES INPUT							
AF 253			14,634,283					
AF 254	Total Base Sales of Electricity Revenues		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
AF 255	Sales of Electricity Revenues		146,724,130	57,079,989	46,858,542	38,906,705	1,886,515	1,992,379
AF 256	Fuel Revenues		(33,682,213)	(11,711,397)	(9,118,806)	(11,978,759)	(322,538)	(550,713)
AF 257	Proforma Rate Increase Sales Revenues		11,127,436	3,641,397	4,257,660	2,900,781	138,439	189,158
AF 258								
AF 259								
AF 260	BILLING DETERMINATE INPUTS							
AF 261	Number of Customer Bills	SCH AF, LN 87	787,006	629,400	141,244	6,056	7,764	2,542
AF 262	Annual kWh Sales @ Meter	SCH AF, LN 52	1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
AF 263	Annual kW - Billed		3,141,583	426,380	1,574,160	1,073,238	0	67,804
AF 264								
AF 265								
AF 266	RATE OF RETURN							
AF 267	Rate of Return (Equalized)	SCH AF, LN 267	8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
AF 268								
AF 269								
AF 270	PROPOSED REVENUES FROM SALES INPUT							
AF 271	Annual kWh Sales - Proposed	SCH AF, LN 262	1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
AF 272	Sales of Electricity Revenues - Proposed Total		138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191
AF 273	Sales of Electricity Revenues - Proposed		138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191
AF 274	Credit		0	0	0	0	0	0
AF 275	Credit	DPROD	0	0	0	0	0	0
AF 276								

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BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 1	ALLOCATION PROPORTIONS TABLE							
AP 2	DEMAND							
AP 3								
AP 4	DEMAND - PRODUCTION RELATED							
AP 5	Demand Production (A&E)	DPROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 6			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 9	DEMAND - TRANSMISSION RELATED							
AP 10	Demand Transmission (Calculated Maximum Demand)	DTRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 11								
AP 12								
AP 13								
AP 15								
AP 16								
AP 17								
AP 18								
AP 19								
AP 20	DEMAND - DISTRIBUTION RELATED (Calculated Maxim							
AP 21	Demand Distribution Primary Substation	DDISPSUB	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 22	Demand Distribution Primary Overhead Lines	DDISTPOL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 23	Demand Distribution Primary Underground Lines	DDISTPUL	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 24								
AP 25	Demand Distribution Secondary Overhead Lines	DDISTSOL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 26	Demand Distribution Secondary Underground Lines	DDISTSUL	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 27	Demand Distribution Overhead Line Transformers	DDISTSOT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 28	Demand Distribution Undergrmd Line Transformers	DDISTSUT	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 29								
AP 30								
AP 31								
AP 32								
AP 33								
AP 34								
AP 35								
AP 36								
AP 37								
AP 38								
AP 39								
AP 40								
AP 41								
AP 42								
AP 43								
AP 44								
AP 45								
AP 46								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION (a)	ALLOCATION BASIS (b)	TOTAL SOUTH DAKOTA (c)	RESIDENTIAL SERVICE (d)	GENERAL SERVICE (e)	GS LARGE/ INDUSTRIAL CONTRACT (h)	LIGHTING SERVICE (i)	WATER PUMP IRRIGATION (j)
AP 47	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 48								
AP 49	ENERGY							
AP 50	Energy @ Generation with losses (kWh)	ENEFUEL	1.00000	0.34623	0.27349	0.35409	0.00967	0.01652
AP 51	Energy @ Generation with losses(kWh)	ENERGY1	1.00000	0.34623	0.27349	0.35409	0.00967	0.01652
AP 52	Energy @ Meter (kWh Sales)	ENERGY2	1.00000	0.34422	0.27190	0.35785	0.00962	0.01642
AP 53								
AP 54								
AP 55								
AP 56								
AP 57								
AP 58								
AP 59								
AP 60								
AP 61	CUSTOMER							
AP 62								
AP 63	Customer Dist. Primary Substation	CDISPSUB	1.00000	0.79975	0.17947	0.00768	0.00987	0.00323
AP 64	Customer Dist. Primary Overhead Lines	CDISTPOL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP 65	Customer Dist. Primary Underground Lines	CDISTPUL	1.00000	0.80772	0.18126	0.00776	0.00000	0.00326
AP 66								
AP 67								
AP 68								
AP 69								
AP 70								
AP 71								
AP 72	369-Services	CSERVICE	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP 73	370-Meters	CMETERS	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 74								
AP 75	902-Meter Reading	CMETRDG	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP 76	903-Customer Records and Collections	CUSTREC	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 77	905-Miscellaneous Customer Accounts	CUSTCAM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 78	908-Customer Assistance	CUSTASST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 79	909-Advertisement	CUSTADVT	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 80	910-Miscellaneous Customer Service	CUSTCSM	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 81								
AP 82			0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 83								
AP 84	371-Installation on Customer Premises	CUSTPREM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 85	373-Street Lighting & Signal Systems	CLIGHT	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 86								
AP 87	Number of Bills	CUSTBILLS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 88	Number of Customers	CUST	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 89								
AP 90								
AP 91								
AP 92								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH NO.	LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
		(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP	93	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP	94	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP	95								
AP	96	Plant							
AP	97	Prod, Trans, and Distr Plant in Service	PTDPLT	1.00000	0.41286	0.28600	0.27620	0.01180	0.01314
AP	98	Distribution Plant Excl Not Classified	DISTPLTXNC	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP	99	Rate Base	RATEBASE	1.00000	0.41506	0.28499	0.27656	0.01045	0.01294
AP	100	Total Electric Plant In Service	TOTPLT	1.00000	0.41686	0.28486	0.27373	0.01156	0.01300
AP	101	Production Plant In Service	PRODPLT	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP	102	Transmission Plant in Service	TRANPLT	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP	103	Distribution Plant in Service	DISTPLT	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP	104	Total Transmission and Distribution Plant	TDPLT	1.00000	0.46569	0.26761	0.23008	0.02161	0.01501
AP	105	General Plant in Service	GENLPLT	1.00000	0.46933	0.26971	0.24074	0.00894	0.01128
AP	106								
AP	107	Account 360	PLT_360	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP	108	Account 361	PLT_361	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP	109	Account 362	PLT_362	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP	110	Account 364	PLT_364	1.00000	0.44169	0.27220	0.26048	0.00960	0.01603
AP	111	Account 365	PLT_365	1.00000	0.43854	0.27027	0.26574	0.00953	0.01591
AP	112	Account 366	PLT_366	1.00000	0.45158	0.27830	0.24391	0.00982	0.01639
AP	113	Account 367	PLT_367	1.00000	0.45568	0.28083	0.23705	0.00990	0.01653
AP	114	Account 368	PLT_368	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP	115	Account 369	PLT_369	1.00000	0.63551	0.24864	0.10629	0.00000	0.00957
AP	116	Account 370	PLT_370	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP	117	Account 371	PLT_371	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	118	Account 373	PLT_373	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	119	Distribution Overhead Plant in Service	OHDIST	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP	120	Distribution Underground Plant in Service	UGDIST	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP	121	Account 371&373	PLT_3713	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP	122								
AP	123	Other Customer Class	DPLTOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP	124	Residential Regular Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	125	Residential Electric Sales Revenue	DPLTRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	126	Residential Demand Sales Revenue	DPLTRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP	127	GS Regular Sales Revenue	DPLTGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	128	GS Total Electric Sales Revenue	DPLTGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP	129	GSL Secondary	DPLTGSL	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	130	GSL Primary	DPLTGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP	131								
AP	132								
AP	133								
AP	134	Total O&M less Fuel and Purchased Power	OMXFPP	1.00000	0.45334	0.27445	0.25198	0.00875	0.01148
AP	135	Supervised O&M Expense excluding CUS	OMXFPP						
AP	136								
AP	137								
AP	138								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
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SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 139	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 140	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 141	Production Expense							
AP 142	Account 500	OX_500	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 143	Account 501	OX_501	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 144	Account 502	OX_502	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 145	Account 505	OX_505	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 146	Account 506	OX_506	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 147	Account 510	MX_510	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 148	Account 511	MX_511	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 149	Account 512	MX_512	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 150	Account 513	MX_513	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 151	Account 514	MX_514	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 152	Account 546	OX_546	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 153	Account 547	OX_547	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 154	Account 548	OX_547	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 155	Account 549	OX_549	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 156	Account 551	MX_551	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 157	Account 552	MX_552	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 158	Account 553	MX_553	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 159	Account 554	MX_554	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 160	Account 556	OX_556	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 161	Account 555	OX_555	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 162	Account 557	OX_557	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 163	O&M Expense Production Operation	OX_PROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 164	O&M Expense Production Maintenance	MX_PROD	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 165	Salaries and Wages Production Operation	SALWAGPO	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 166	Salaries and Wages Production Maintenance	SALWAGPM	1.00000	0.38072	0.29720	0.30426	0.00582	0.01200
AP 167	Transmission Expense							
AP 168	Account 560	OX_560	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 169	Account 561	OX_561	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 170	Account 562	OX_562	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 171	Account 563	OX_563	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 172	Account 565	OX_565	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 173	Account 566	OX_566	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 174	Account 567	OX_567	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 175	Account 568	MX_568	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 176	Account 569	MX_569	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
AP 177	Account 570	MX_570	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 178	Account 571	MX_571	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 179	Account 573	MX_573	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 180	O&M Accounts 561-567	OX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 181	O&M Accounts 569-573	MX_TRAN	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 182	Salaries & Wages Accounts 561-567	SALWAGTO	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 183	Salaries & Wages Accounts 569-573	SALWAGTM	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 184								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 185	ALLOCATION PROPORTIONS TABLE CONTINUED							
AP 186	INTERNALLY DEVELOPED ALLOCATION FACTORS							
AP 187	Distribution Expense							
AP 188	Account 580	OX_580	1.00000	0.52296	0.25833	0.19477	0.01168	0.01226
AP 189	Account 581	OX_581	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 190	Account 582	OX_582	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 191	Account 583	OX_583	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 192	Account 584	OX_584	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 193	Account 585	OX_585	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 194	Account 586	OX_586	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 195	Account 587	OX_587	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 196	Account 588	OX_588	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 197	Account 589	OX_589	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 198	Account 590	MX_590	1.00000	0.44034	0.26764	0.25399	0.02245	0.01559
AP 199	Account 592	MX_592	1.00000	0.43119	0.26574	0.27805	0.00937	0.01565
AP 200	Account 593	MX_593	1.00000	0.44048	0.27146	0.26250	0.00957	0.01598
AP 201	Account 594	MX_594	1.00000	0.45530	0.28059	0.23769	0.00990	0.01652
AP 202	Account 595	MX_595	1.00000	0.48138	0.29666	0.19403	0.01046	0.01747
AP 203	Account 596	MX_596	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 204	Account 597	MX_597	1.00000	0.71193	0.22701	0.05533	0.00230	0.00343
AP 205	Account 598	MX_598	1.00000	0.46611	0.26763	0.22950	0.02176	0.01500
AP 206	O&M Accounts 581-589	OX_DIST	1.00000	0.52296	0.25833	0.19477	0.01168	0.01226
AP 207	O&M Accounts 591-598	MX_DIST	1.00000	0.44034	0.26764	0.25399	0.02245	0.01559
AP 208	Salaries & Wages Accounts 581-589	SALWAGDO	1.00000	0.52296	0.25833	0.19477	0.01168	0.01226
AP 209	Salaries & Wages Accounts 591-598	SALWAGDM	1.00000	0.44034	0.26764	0.25399	0.02245	0.01559
AP 210								
AP 211	Account 902	OX_902	1.00000	0.80591	0.18085	0.00774	0.00224	0.00325
AP 212	Account 903	OX_903	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 213	Account 904	OX_904	1.00000	0.93691	0.05894	0.00000	0.00415	0.00000
AP 214	O&M Accounts 902-905	OX_CA	1.00000	0.82553	0.15687	0.00625	0.00873	0.00262
AP 215	Salaries & Wages Accounts 902-905	SALWAGCA	1.00000	0.82553	0.15687	0.00625	0.00873	0.00262
AP 216								
AP 217	Account 908	OX_908	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 218	Account 909	OX_909	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 219	Account 910	OX_910	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 220	O&M Accounts 908-910	OX_CS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 221	Salaries & Wages Accounts 908-910	SALWAGCS	1.00000	0.79974	0.17947	0.00769	0.00987	0.00323
AP 222								
AP 223	Salaries & Wages Excluding Admin & Gen	SALWAGXAG	1.00000	0.46990	0.26954	0.24038	0.00892	0.01126
AP 224	Total Salaries and Wages Expense	SALWAGES	1.00000	0.46990	0.26954	0.24038	0.00892	0.01126
AP 225								
AP 226								
AP 227								
AP 228								
AP 229								
AP 230								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
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SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
AP 231	REVENUES AND BILLING DETERMINANTS							
AP 232								
AP 233	Base Rate Sales Revenue	SALESREV	1.00000	0.39470	0.33823	0.24023	0.01371	0.01313
AP 234	Other Sales Revenue	SREVOTH	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
AP 235	Residential Regular Sales Revenue	SREVRESR	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 236	Residential Total Electric Sales Revenue	SREVRESE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 237	Residential Total Electric Demand Sales Rev	SREVRESED	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000
AP 238	GS Regular Sales Revenue	SREVSGSR	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 239	GS Total Electric Sales Revenue	SREVSGSE	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 240	GS Total Other Sales Revenue	SREVSGSO	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000
AP 241	GSL Secondary	SREVGSLS	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 242	GSL Primary	SREVGSLP	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 243	GSL Other	SREVGSL0	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000
AP 244	Traffic Signals & Flashers	SREVTSF	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 245	Private Area Lighting Leased	SREVPAL	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 246	Street Lighting Leased	SREVSLS	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 247	Street Lighting Energy & Maint Cust Owned	SREVSLEM	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 248	Street Lighting Non-Metered Services/Rentals	SREVSLSR	1.00000	0.00000	0.00000	0.00000	1.00000	0.00000
AP 249								
AP 250	Claimed Rate Sales Revenue	CLAIMREV	1.00000	0.43718	0.27908	0.26148	0.00997	0.01229
AP 251								
AP 252	<u>PRESENT REVENUES FROM SALES INPUT</u>							
AP 253								
AP 254	Total Base Sales of Electricity Revenues		1.00000	0.39470	0.33823	0.24023	0.01371	0.01313
AP 255	Sales of Electricity Revenues		1.00000	0.38903	0.31936	0.26517	0.01286	0.01358
AP 256	Fuel Revenues		1.00000	0.34770	0.27073	0.35564	0.00958	0.01635
AP 257	Proforma Rate Increase Sales Revenues		1.00000	0.32724	0.38263	0.26069	0.01244	0.01700
AP 258								
AP 259								
AP 260								
AP 261								
AP 262								
AP 263								
AP 264								
AP 265								
AP 266								
AP 267								
AP 268								
AP 269								
AP 270								
AP 271								
AP 272								
AP 273								
AP 274								
AP 275								
AP 276								

BLACK HILLS POWER, INC.
 PRO FORMA CLASS COST OF SERVICE STUDY
 PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	Write-Offs							
ADA 5	Other Sales Revenue	SREVOTH	0	0	0	0	0	0
ADA 6	Residential Regular Sales Revenue	SREVRESR	406,675	406,675	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	103,654	103,654	0	0	0	0
ADA 8	Residential - Demand	SREVRESED	16,603	16,603	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVSGSR	30,912	0	30,912	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVSGSE	2,178	0	2,178	0	0	0
ADA 11	GS Other	SREVSGSO	61	0	61	0	0	0
ADA 12	GSL Secondary	SREVGSL	0	0	0	0	0	0
ADA 13	GSL Primary	SREVGSLP	0	0	0	0	0	0
ADA 14	Private Area Lighting Leased	SREVPAL	2,059	0	0	0	2,059	0
ADA 15	Street Lighting Leased	SREVSL	0	0	0	0	0	0
ADA 16	Street Lighting Energy & Maint Cust Owned	SREVSLEM	0	0	0	0	0	0
ADA 17	Street Lighting Non-Metered Services/Rentals	SREVSLSR	274	0	0	0	274	0
ADA 18	Total Write-Offs	EXP_904	562,416	526,932	33,161	0	2,333	0
ADA 19								
ADA 20	Total Write-Offs	EXP_904	1.00000	0.93691	0.05894	0.000000	0.00415	0.00000
ADA 21								
ADA 22	Customer Advances for Construction							
ADA 23	Other	DPLTOTH	7,712	0	0	0	0	7,712
ADA 24	Residential Regular	DPLTRESR	177,941	177,941	0	0	0	0
ADA 25	Residential Total Electric	DPLTRESE	20,375	20,375	0	0	0	0
ADA 26	Residential Electric Demand	DPLTRES	18,981	18,981	0	0	0	0
ADA 27	GS Regular	DPLTGSR	474,629	0	474,629	0	0	0
ADA 28	GS Total Electric	DPLTGSE	20,901	0	20,901	0	0	0
ADA 29	GSL Secondary	DPLTGSL	161,691	0	0	161,691	0	0
ADA 30	Traffic Signals & Flashers	PLT_3713	6,468	0	0	0	6,468	0
ADA 31								
ADA 32	Customer Advances for Construction	CUSTADV	888,699	217,297	495,530	161,691	6,468	7,712
ADA 33								
ADA 34	Customer Advances for Construction	CUSTADV	1.00000	0.24451	0.55759	0.181942	0.00728	0.00868
ADA 35								
ADA 36								
ADA 37								
ADA 38								
ADA 39								
ADA 40								
ADA 41								
ADA 42								
ADA 43								
ADA 44								
ADA 45								
ADA 46								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

Schedule O-1
Page 34 of 35

SCH LINE NO. NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
ADA 1	ALLOCATED DIRECT ASSIGNMENTS							
ADA 2	DIRECT ASSIGN TO CLASSES W/SALES REV FUNCTIONS							
ADA 3								
ADA 4	DSM							
ADA 5	Other Sales Revenue	SREVOTH	17,170	0	0	0	0	17,170
ADA 6	Residential Regular Sales Revenue	SREVRESR	279,448	279,448	0	0	0	0
ADA 7	Residential Total Electric Sales Revenue	SREVRESE	76,729	76,729	0	0	0	0
ADA 8	Residential - Demand	SREVRESED	78,004	78,004	0	0	0	0
ADA 9	GS Regular Sales Revenue	SREVSGSR	256,806	0	256,806	0	0	0
ADA 10	GS Total Electric Sales Revenue	SREVSGSE	28,070	0	28,070	0	0	0
ADA 11	GS Other	SREVSGSO	5,449	0	5,449	0	0	0
ADA 12	GSL Secondary	SREVGSL S	215,811	0	0	215,811	0	0
ADA 13	GSL Primary	SREVGSLP	0	0	0	0	0	0
ADA 14	Traffic Signals & Flashers	SREVTSF	519	0	0	0	519	0
ADA 15	Private Area Lighting Leased	SREVPAL	2,887	0	0	0	2,887	0
ADA 16	Street Lighting Leased	SREVSL	2,641	0	0	0	2,641	0
ADA 17	Street Lighting Energy & Maint Cust Owned	SREVSLEM	4,419	0	0	0	4,419	0
ADA 18	Street Lighting Non-Metered Services/Rentals	SREVLSR	0	0	0	0	0	0
ADA 19	Total DSM	SREVD SM	967,955	434,181	290,326	215,811	10,468	17,170
ADA 20								
ADA 21	Total DSM	SREVD SM	1.00000	0.44856	0.29994	0.222955	0.01081	0.01774
ADA 22								
ADA 23								
ADA 24								
ADA 25								
ADA 26								
ADA 27								
ADA 28								
ADA 29								
ADA 30								
ADA 31								
ADA 32								
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ADA 41								
ADA 42								
ADA 43								
ADA 44								
ADA 45								
ADA 46								

BLACK HILLS POWER, INC.
PRO FORMA CLASS COST OF SERVICE STUDY
PRO FORMA TEST YEAR ENDED SEPTEMBER 30, 2013

SCH LINE NO.	DESCRIPTION	ALLOCATION BASIS	TOTAL SOUTH DAKOTA	RESIDENTIAL SERVICE	GENERAL SERVICE	GS LARGE/ INDUSTRIAL CONTRACT	LIGHTING SERVICE	WATER PUMP IRRIGATION
	(a)	(b)	(c)	(d)	(e)	(h)	(i)	(j)
RRW 1	REVENUE REQUIREMENTS							
RRW 2								
RRW 3	PRESENT RATES							
RRW 4	<hr/>							
RRW 5	RATE BASE		542,701,964	225,251,255	154,666,657	150,089,792	5,670,795	7,023,465
RRW 6	NET OPER INC (PRESENT RATES)		36,508,872	11,514,521	15,234,707	8,524,838	688,237	546,570
RRW 7	RATE OF RETURN (PRES RATES)		6.73%	5.11%	9.85%	5.68%	12.14%	7.78%
RRW 8	RELATIVE RATE OF RETURN		1.00	0.76	1.46	0.84	1.80	1.16
RRW 9	SALES REVENUE (PRE RATES)		124,169,353	49,009,989	41,997,396	29,828,727	1,702,416	1,630,824
RRW 10	REVENUE PRES RATES \$/KWH		\$0.0840	\$0.0964	\$0.1045	\$0.0564	\$0.1198	\$0.0672
RRW 11	REVENUE REQUIRED - \$/MO/CUST		\$1,890.24	\$934.41	\$3,568.06	\$59,108.11	\$2,631.25	\$5,132.86
RRW 12	SALES REV REQUIRED \$/KW		\$39.52	\$114.94	\$26.68	\$27.79	\$0.00	\$24.05
RRW 13								
RRW 14	CLAIMED RATE OF RETURN							
RRW 15	<hr/>							
RRW 16	CLAIMED RATE OF RETURN		8.48%	8.48%	8.48%	8.48%	8.48%	8.48%
RRW 17	RETURN REQ FOR CLAIMED ROR		46,021,127	19,101,306	13,115,733	12,727,614	480,883	595,590
RRW 18	SALES REVENUE REQ CLAIMED ROR		138,803,591	60,681,967	38,737,436	36,294,538	1,383,411	1,706,240
RRW 19	REVENUE DEFICIENCY SALES REV		14,634,238	11,671,978	(3,259,960)	6,465,811	(319,005)	75,415
RRW 20	PERCENT INCREASE REQUIRED		9.27%	19.26%	-6.37%	15.44%	-15.74%	3.45%
RRW 21	ANNUAL BOOKED KWH SALES		1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
RRW 22	SALES REV REQUIRED \$/KWH		\$0.0939	\$0.1193	\$0.0964	\$0.0686	\$0.0974	\$0.0703
RRW 23	REVENUE DEFICIENCY \$/KWH		\$0.0099	\$0.0230	(\$0.0081)	\$0.0122	(\$0.0225)	\$0.0031
RRW 24								
RRW 25	PROPOSED REVENUES							
RRW 26	<hr/>							
RRW 27	PROPOSED SALES REVENUES		138,803,636	55,546,653	45,733,753	33,896,966	1,851,073	1,775,191
RRW 28	REVENUE DEFICIENCY SALES REV		14,634,283	6,536,664	3,736,357	4,068,239	148,657	144,367
RRW 29	PERCENT INCREASE PROPOSED		9.27%	10.79%	7.30%	9.71%	7.34%	6.61%
RRW 30	PROPOSED RATE OF RETURN		8.48%	7.00%	11.42%	7.44%	13.84%	9.12%
RRW 31	RETURN REQ FOR PROPOSED REV		46,021,156	15,763,353	17,663,339	11,169,193	784,864	640,408
RRW 32	ANNUAL BOOKED KWH SALES		1,477,426,994	508,556,688	401,709,507	528,691,572	14,208,746	24,260,481
RRW 33	SALES REV REQUIRED \$/KWH		\$0.0939	\$0.1092	\$0.1138	\$0.0641	\$0.1303	\$0.0732
RRW 34	REVENUE DEFICIENCY \$/KWH		\$0.0099	\$0.0129	\$0.0093	\$0.0077	\$0.0105	\$0.0060
RRW 35								
RRW 36								
RRW 37								
RRW 38								
RRW 39								
RRW 40								
RRW 41								
RRW 42								
RRW 43								
RRW 44								
RRW 45								
RRW 46								

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section P

20:10:13:100. Statement P – Energy Cost Adjustment Factors. Statement P shall show the derivation of the cost adjustment factor as stated therein if the rate schedule or sales contract embodies a fuel clause or gas adjustment clause. If the fuel clause differs from the one prescribed by the commission, the statement shall show the derivation as proposed by the company and as prescribed by the commission.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Statement P Page 1 - Fuel and Purchase Power Adjustment. This schedule is used to calculate the test year base unit cost by adding together Steam Plant Fuel, Other Production Fuel, Purchase Power expenses, Reagent costs, Incremental SD Property Taxes and Incremental SD Contract Sales. This total is then divided by the retail energy sales.

Statement P Page 2 - Transmission Adjustment. This schedule is used to calculate the test year base unit cost for Transmission by taking the adjusted Transmission expenses and dividing by the total retail energy sales.

BLACK HILLS POWER, INC.
DERIVATION OF BASE UNIT COST - FUEL AND PURCHASE POWER ADJUSTMENT
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	Total Company Costs		
1a	Steam Plant Fuel Expense (Adjusted) - FERC Account 501	Such H-9, Ln. 28	\$ 17,482,287
2			
3	Other Production Fuel Expense (Adjusted) - FERC Account 547	Such H-9, Ln. 17	1,759,552
4			
5	Purchase Power - Energy (Adjusted) - FERC Account 555	Such H-9, Ln. 7	13,266,017
6			
7	Plus: Reagent Costs- Lime, Lime Freight, Ammonia, Chemical	Such H-9, Ln. 49	1,011,946
8			
9	Base Cost for Fuel and Purchase Power Expense	Sum (Ln.1a:Ln.7)	<u>\$ 33,519,802</u>
10			
11	Incremental South Dakota Jurisdictional Costs		
12	Property Taxes		
13	Annual SD Property Taxes (Note 1):		
14	Total Company Amount	Stmt I, Ln. 14	\$ 5,042,451
15	FERC Jurisdictional Property Taxes	FERC Formula Rate	601,902
16	Retail Jurisdictional - SD, WY, & MT	Ln. 14 - Ln. 15	4,440,549
17	SD Property Tax Allocation - Total Plant	Stmt N-1, Such AP, Ln. 100	91,201%
18	SD Property Tax Amount	Ln. 16 * Ln. 17	4,049,818
19	Base SD Property Taxes	Stmt N-1, Such I, Ln. 16	4,049,818
20	Incremental Property Taxes	Ln. 18 - Ln. 19	<u>\$ -</u>
21			
22	Long-Term Contract Sales		
23	Annual SD Long-Term Contract Sales (Note 1):		
24	Total Company Amount	Stmt I, Pg 1, Ln. 10	\$ 21,472,488
25	SD Contract Sales Allocation - Demand Production	Stmt N-1, Such AP, Ln. 100	89.831%
26	SD Contract Sales Amount	Ln. 24 * Ln. 25	19,288,845
27	Base SD Contract Sales	Stmt N-1, Such I, Ln. 5	19,288,845
28	Incremental Contract Sales	Ln. 26 - Ln. 27	<u>\$ -</u>
29			
30			
31	<u>kWh SALES</u>		
32	Retail Energy Sales (Note 2)	WP-1 (Ln. 48(a)) * 1000	1,696,490,136
33			
34	Base Unit Cost for Fuel and Purchase Power (Note 3)	(Ln.9 + Ln. 20 - Ln 28)/ Ln.13	<u>\$ 0.01976</u> /kWh
35			
36	Base Unit Cost for Fuel and Purchase Power	Approved Docket EL09-018	<u>\$ 0.01460</u> /kWh
37			

38 Note 1: The annual SD property tax and contract sales calculations are for illustrative purposes only. The annual total company and FERC
39 jurisdictional amounts will reflect the actual costs for the FPPA time period, allocated to SD based on the jurisdictional allocations
40 established in this docket. The South Dakota property taxes and contract sales will be compared to the amount included in base rates
41 to determine the incremental change that needs to be recovered or credited to customers through the FPPA.

42 Note 2: The revised FPPA rate will be calculated using retail energy sales instead of system energy sales. This modification allows for the
43 collection of fuel costs associated with contract sales from retail customers. The matching principle supports the inclusion of
44 the fuel costs associated with contract sales as retail customers are receiving 100% of the wholesale contract revenues through the
45 ECA per Docket EL12-062.

46 Note 3: In Docket EL12-061, the Commission approved removing the ECA costs from base rates. The calculation is for illustrative
47 purposes only.

BLACK HILLS POWER, INC.
DERIVATION OF BASE UNIT COST OF TRANSMISSION
For the Pro Forma Test Year Ended September 30, 2013

Line No.	Description	Reference	Amount
1	Transmission Expense (Adjusted)- FERC Account 565	Sch H-9, Ln. 38	\$ 17,732,568
2			
3	Base Cost for Transmission Expense		<u>\$ 17,732,568</u>
4			
5	<u>kWh SALES</u>		
6			
7	Retail Energy Sales	WP-1 Ln.48(a) * 1000	1,696,490,136
8			
9	Base Unit Cost for Transmission	Ln.3 / Ln.7	<u>\$ 0.01045</u> /kWh
10			
11	Base Unit Cost for Transmission	Approved Docket EL09-018	<u>\$ 0.00810</u> /kWh
12			
13	Note: The Statement is for illustrated purposes only. The Company is not proposing a change to the base cost for the Transmission		
14	Cost Adjustment. The base unit cost approved in Docket EL09-018 is used to calculate the removal of the Energy Cost Revenue on		
15	Statement I page 4, line 1.		

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section Q

20:10:13:101. Statement Q -- Description of Utility Operations. Statement Q shall include a description of the utility's area and diversity of operations, including miles of lines and generating stations operated and a breakdown of sales between jurisdictional and nonjurisdictional. A concise statement of the last rate case of the filing public utility, whether or not it was concluded at the time of the filing of the current rate increase, shall also be included.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

BLACK HILLS POWER, INC.
DESCRIPTION OF UTILITY OPERATIONS
For the Test Year Ended September 30, 2013

Statement Q
Page 1 of 1

Line No.	Policy Description
1	<p>Black Hills Power, Inc. ("Black Hills Power") is an electric utility serving retail customers in South Dakota, Wyoming, and Montana. Black Hills Power is incorporated in South Dakota and began providing electric service in 1941. Black Hills Power is a wholly-owned subsidiary of the publicly traded company, Black Hills Corporation.</p>
2	
3	
4	
5	
6	<p>Black Hills Power is engaged in the generation, transmission, and distribution of electricity. We serve approximately 68,000 retail electric customers in 34 communities in western South Dakota, northeastern Wyoming and southeastern Montana.</p>
7	
8	
9	<p>In addition to retail sales of electric energy, Black Hills Power sells wholesale power to Montana Dakota Utilities for Sheridan, Wyoming, to the Municipal Energy Agency of Nebraska and to the City of Gillette for their replacement energy when Wygen III is offline. Black Hills Power also makes short-term wholesale power sales when economically feasible.</p>
10	
11	
12	
13	
14	<p>The electric system owned by Black Hills Power consists of approximately 590 miles of 230 kV transmission lines and a lower voltage distribution system. Black Hills Power is interconnected with the Western Area Power Administration Rocky Mountain Regions' west 230 kV bus at Stegall, Nebraska and the Dave Johnston substation near Glenrock, Wyoming. Black Hills Power is interconnected with PacifiCorp at the Wyodak plant near Gillette, Wyoming and the Windstar and Dave Johnston substations near Glenrock, Wyoming. Black Hills Power is also interconnected with Western Area Power Administration's Upper Great Plains Region, through the Rapid City Converter Tie.</p>
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	<p>Black Hills Power has generating facilities located at the Wyodak site near Gillette, Wyoming, in Osage, Wyoming and in Rapid City, South Dakota. In addition to these generating plants, Black Hills Power has a long-term purchase power agreement with PacifiCorp for 50 megawatts of capacity and associated energy.</p>
25	
26	
27	
28	<p>The last South Dakota rate filing was submitted December 17, 2012 and an order issued by the South Dakota Public Utilities Commission on September 19, 2013.</p>
29	
30	

Black Hills Power, Inc.
South Dakota
Revenue Requirement Model Description

Section R

20:10:13:102. Statement R – Coal Supply Pricing. If any of the preceding statements cover purchases or other transfers of equipment, fuels or gas, materials, or services from an affiliate that are not regulated for price, the applicant shall submit a detailed explanation, including a showing of the affiliate's rate of return on investment associated with the purchases and the prices of comparable equipment, materials, or services offered by unaffiliated suppliers.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

Statement R - Part I
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power and Cheyenne Light, Fuel and Power Company
for the 12 Months ended December 31, 2014

Statement R
Page 1 of 6

Line No.	2014 (1) Total Company	(2) Applicable Sales to BHP/CLFP
1	\$ 125,461,196	
2	<u>68,891,652</u>	
3	\$ 56,569,544	\$ 23,974,173 (a)
4	7,366,971	
5	<u>6,525,461</u>	
6	841,510	438,932 (b)
7	21,258,905	
8	<u>13,195,390</u>	
9	8,063,515	3,417,318 (c)
10	425,000	
11	<u>425,000</u>	
12	-	-
13	65,474,569	27,830,423
14	-	- (a)
15	<u>11,687,456</u>	<u>4,953,144 (a)</u>
16	<u>\$ 77,162,025</u>	<u>\$ 32,783,567</u>
<hr/>		
17	(a) Percent Applicable to Mining (Part III, Line 6)	42.38%
18	(b) Percent Applicable to Blending Facility (Part III, Line 9)	52.16%
19	(c) Percent Applicable to Processing (Part III, Line 11)	42.38%

20 * from Input page

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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
for the 12 Months ended December 31, 2014

Statement R
Page 2 of 6

Line No.		(1)	(2)	(3)
		Total Company	Applicable Sales to BHP Ownership & CLFP	Adjusted
1	Receipts from Coal Sales*	\$ 64,813,452	\$ 28,502,034	\$ 28,502,191
2	Operating Expenses:			
3	Mining Expenses (from Schedule B)	24,089,022	10,208,928	(a) 10,208,928
4	Royalties*	8,101,681	3,562,754	(e) 3,562,754
4a	Royalty tax from prior year activity			
5	Production Tax*	3,051,939	1,342,105	(e) 1,342,105
5a	Production tax from prior year activity			
6	Severance Tax*	3,607,798	1,586,547	(e) 1,586,547
6a	Severance Tax from Prior Year activity			
7	Black Lung Tax*	1,857,489	816,840	(e) 816,840
7a	Black Lung tax from prior year activity			
8	Blending Facility Expenses (from Schedule B)	1,523,875	794,853	(b) 794,853
9	Processing Expenses (from Schedule B)	2,526,007	1,070,522	(c) 1,070,522
10	Depreciation and Depletion of Mining Plant (from Schedule B)	8,520,022	3,610,785	(a) 3,610,785
11	Depreciation -- Blending Facility (from Schedule B)	227,386	118,605	(b) 118,605
12	Depreciation -- Processing Plant (from Schedule B)	1,737,242	736,243	(c) 736,243
13	Depreciation -- Investment for BHP/CLFP Sale*	-	-	
14	Federal Reclamation, FICA, and Unemployment*	1,645,022	697,160	(a) 697,160
14a	Fed Reclamation tax from prior year activity			
15	Property Taxes:			
16	Mining	454,711	192,707	(a) 192,707
17	Blending Facility	26,700	13,927	(b) 13,927
18	Processing	77,049	32,653	(c) 32,653
19	Investment for BHP/CLFP Sale	1,540	1,540	1,540
20				
21	Total Operating Expenses (before Taxes)	57,447,483	24,786,169	24,786,169
22				
23	Federal Income Tax (from Part IV)	1,517,389	765,468	(d) 765,501
24	Total Operating Expenses	58,964,872	25,551,637	25,551,670
25	Net Mining Income	5,848,580	2,950,397	2,950,521
26	Other non-mining income (net)	1,484,156		
27	Less: Interest on Long-term Debt*	-		
28	Net Income	\$ 7,332,736		
29				
30	Utility Type Investment Base Applicable to Sales to BHP/CLFP (from Part I)		32,783,567	32,783,567
31				
32	Utility Type Rate of Return Related to Sales to BHP/CLFP		9.00%	9.00%
33				
34	Note: An "*" designates the column 1 amount comes from the Input page.			
35				
36	(a) Percent Applicable to Mining (Part III, Line 6)			42.38%
37	(b) Percent Applicable to Blending Facility (Part III, Line 9)			52.16%
38	(c) Percent Applicable to Processing (Part III, Line 11)			42.38%
39	(d) Amount Applicable to BHP/CLFP (Part IV, Line 11)		765,468	
40	(e) Coal taxes calculated based on applicable sales to those subsidiaries			

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Statement R - Part III
Wyodak Resources Development Corporation
Computation of Utility Type Investment Base
for Total Sales to Black Hills Power and Cheyenne Light Fuel & Power
for the 12 Months ended December 31, 2014

Line No.	TONS SOLD
1 Total Coal Sold	4,207,726
2 Total Coal Sold - Wyodak Plant	1,943,896
3 Total Coal Sold - All Except Wyodak	2,263,830
4 Total Tons Sold - BHP Wyodak	388,779
5 Total Coal Sold - BHP Other/Wygen II/Wygen III	1,394,604
6 Percent Applicable to Mining ((Line 4+Line 5)/Line 1)	42.38%
7 Total Coal Sold by Blending Facility (BHP Other less NSII, Trucks, Wygen II & Wygen III)	947,673
8 Other Coal Sold by Blending Facility	869,226
9 Percent Applicable to Processing Blending Facility (Line 7/(Line 7+Line 8))	52.16%
10 Total Coal Sold - Train Load Out	-
11 Percent Applicable to Processing (Line 4+Line 5)/(Line 1-Line 10)	42.38%

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
for the 12 Months ended December 31, 2014

Statement R
Page 4 of 6

Line No.	Description	Amount
1	Total Federal Income Tax Applicable to Mining Income	\$ 1,517,389
2	Income before Federal Income Tax:	
3	Net Income	5,848,576
4	Plus Federal Income Tax	<u>1,517,389</u>
5	Mining Income Before Federal Income Tax	7,365,965
<hr/>		
6	Unadjusted Receipts from Coal Sales (from Part II)	28,502,034
7	Total Operating Expenses (from Part II)	<u>24,786,169</u>
8	Income before Federal Income Tax Applicable to BHP/CLFP	3,715,865
9	Federal Income Tax Rate (Line 4/Line 5)	<u>20.60%</u>
10	Federal Income Tax	<u>\$ 765,468</u>

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
for the 12 Months ended December 31, 2014

Line No.		Amount	Percent of Total	Cost	Weighted Cost
1	Long Term Debt	-	0%	0%	0%
2	Common Equity	136,157,590	100%	9.00%	9.00%
3	Total Capitalization	<u>\$ 136,157,590</u>	<u>100%</u>		<u>9.00%</u>
4					
5					
6	Utility A-rated Bonds		5.00%		
7	Plus 400 Basis Points		<u>4.00%</u>		
8	Return on Equity		9.00%		
9					
10	Weighted Cost of Equity		9.00%		
11	Weighted Cost of Debt		<u>0.00%</u>		
12	Weighted cost of Capital		9.00%		

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
for the 12 Months ended December 31, 2014

Statement R
Page 6 of 6

Line No.	Amount
1 Price per Ton required to balance Affiliate Coal Adjustment to approximately \$0	\$ 15.98
2 Coal Receipts from BHP/CLFP	\$ 28,502,034
3 Coal Receipts from BHP/CLFP as Adjusted (from Part II)	<u>\$ 28,502,191</u>
4 Difference in Coal Receipts BHP/CLFP/MDU (Line 2 - Line 3)	(157)
5 Annual Retail Energy Sales in South Dakota - MWH	1
6 Annual Total Energy Sales - MWH	1
7 Percent Applicable to South Dakota (Line 5/Line 6)	100%
8 Affiliate Coal Adjustment (Line 4 x Line 7)	<u>\$ (157)</u>

BLACK HILLS POWER, INC.
ENERGY RELATED UNITS OF SERVICE
For the Test Year Ended September 30, 2013

Line No.	Customer Class	Reference	(a)	(b)	(c)	(d)
			Energy Sales	Percent of Input	(a) * (b) Estimated Losses Amount	(a) + (c) System Energy Input
			MWh	%	MWh	MWh
1						
2	South Dakota Retail					
3						
4	Residential					
5	Regular		336,200	8.83%	29,686	365,886
6	Total Electric		88,924	8.83%	7,852	96,776
7	Total Electric		131	8.83%	12	143
8	Demand		90,666	8.83%	8,006	98,672
9	Total Residential		<u>515,921</u>		<u>45,556</u>	<u>561,476</u>
10						
11	General Service					
12	Regular		356,168	8.83%	31,450	387,618
13	Total Electric		38,153	8.83%	3,369	41,522
14	Other		7,388	8.83%	652	8,040
15	Water Pumping/Irrigation		24,260	8.83%	2,142	26,403
16	Total General Service		<u>425,970</u>		<u>37,613</u>	<u>463,583</u>
17						
18	General Service, Large					
19	Secondary Sales		298,949	8.83%	26,397	325,346
20	Primary Sales		27,602	5.31%	1,466	29,068
21	69 kV		20,551	3.90%	801	21,352
22	Total General Service, Large		<u>347,102</u>		<u>28,664</u>	<u>375,766</u>
23						
24	Industrial Contract					
25	Secondary Sales		11,027	8.83%	974	12,001
26	Primary Sales		74,111	5.31%	3,935	78,046
27	69kV Sales		95,459	3.90%	3,723	99,182
28	Total Industrial Contract		<u>180,597</u>		<u>8,632</u>	<u>189,229</u>
29						
30	Lighting Service					
31	Private Area Lighting		3,938	8.83%	348	4,286
32	Street Lighting - Leased		3,577	8.83%	316	3,893
33	Street Lighting - Customer Owned		5,987	8.83%	529	6,516
34	Traffic Signals		707	8.83%	62	769
35	Total Lighting Service		<u>14,209</u>		<u>1,255</u>	<u>15,463</u>
36						
37	Total South Dakota Retail		<u>1,483,798</u>		<u>121,720</u>	<u>1,605,518</u>
38						
39	Wyoming Retail					
40	Secondary Services		107,264	8.83%	9,471	116,736
41	Primary Services		59,151	5.31%	3,141	62,292
42	Total Wyoming Retail		<u>166,415</u>		<u>12,612</u>	<u>179,027</u>
43						
44	Montana Retail					
45	Secondary Services		46,277	8.83%	4,086	50,363
46	Total Montana Retail		<u>46,277</u>		<u>4,086</u>	<u>50,363</u>
47						
48	Total Retail Sales		<u>1,696,490</u>		<u>138,418</u>	<u>1,834,909</u>
49						
50	Contract Sales:					
51	Contract Sales - MEAN		256,405	3.90%	10,000	266,405
52	Contract Sales - MDU		87,599	3.90%	3,416	91,015
53	Total Contract Sales		<u>344,004</u>		<u>13,416</u>	<u>357,420</u>
54						
55	Total Retail/Contract Sales		<u>2,040,494</u>		<u>151,835</u>	<u>2,192,329</u>

BLACK HILLS POWER, INC.
PLANT IN SERVICE BY JURISDICTION DETAIL FOR DISTRIBUTION
 For the Test Year Ended September 30, 2013

LINE NO.	By Jurisdiction Detail	FERC Acct. #	(a)	(b)	(c)	(d)	(e)	(f)	(g)
			PLANT BALANCE Sep-12	PLANT BALANCE Oct-12	PLANT BALANCE Nov-12	PLANT BALANCE Dec-12	PLANT BALANCE Jan-13	PLANT BALANCE Feb-13	PLANT BALANCE Mar-13
1	SD ELECTRIC PLANT IN SERVICE								
2	DISTRIBUTION PLANT								
3	Land and Land Rights	360	2,010,206	2,010,210	2,010,213	2,010,717	2,010,719	2,010,730	2,010,730
4	Structures and Improvements	361	699,329	699,431	699,431	699,431	699,431	699,431	699,431
5	Station Equipment	362	58,145,184	58,150,627	58,145,969	58,291,877	58,291,877	58,294,854	58,294,854
6	Storage Battery Equipment	363	-	-	-	-	-	-	-
7	Poles, Towers and Fixtures	364	62,848,545	63,047,300	63,257,191	63,647,126	63,737,472	64,051,193	64,337,427
8	Overhead Conductors and Devices	365	38,723,316	38,946,244	39,045,330	39,093,260	39,083,686	39,427,557	39,861,651
9	Underground Conduit	366	3,864,095	3,888,585	3,910,587	3,958,770	3,984,147	4,006,591	4,000,465
10	Underground Conductors and Devices	367	38,543,734	38,591,376	38,640,081	38,586,950	38,637,994	38,682,927	38,703,645
11	Line Transformers	368	32,809,321	32,967,892	33,251,081	33,344,926	33,413,138	33,575,698	33,682,082
12	Services	369	27,785,407	27,939,348	28,055,316	28,038,521	28,139,021	28,255,523	28,293,224
13	Meters	370	6,454,997	6,438,452	6,436,332	6,650,339	6,745,738	6,761,342	6,752,641
14	Installation on Customer's Premises	371	2,036,575	2,063,322	2,073,086	2,082,657	2,086,068	2,088,305	2,095,414
15	Leased Property on Customers' Premises	372	-	-	-	-	-	-	-
16	Street Lighting and Signal Systems	373	1,640,100	1,642,314	1,643,033	1,645,436	1,646,975	1,647,971	1,655,441
17	Total SD Distribution Plant		275,560,809	276,385,101	277,167,650	278,050,010	278,476,266	279,482,122	280,387,005
18									
19	WY ELECTRIC PLANT IN SERVICE								
20	DISTRIBUTION PLANT								
21	Land and Land rights	360	58,218	58,221	58,221	58,221	58,221	58,221	58,221
22	Structures and Improvements	361	2,089	2,089	2,089	2,089	2,089	2,089	2,089
23	Station Equipment	362	10,423,459	10,424,659	10,424,659	13,284,668	13,284,668	13,284,668	13,284,668
24	Storage Battery Equipment	363	-	-	-	-	-	-	-
25	Poles, Towers and Fixtures	364	3,202,824	3,201,236	3,213,881	3,218,149	3,239,746	3,240,361	3,239,839
26	Overhead Conductors and Devices	365	1,581,066	1,580,404	1,587,919	1,587,978	1,591,590	1,591,921	1,592,983
27	Underground Conduit	366	76,478	76,478	74,673	74,673	74,673	74,874	74,874
28	Underground Conductors and Devices	367	839,965	847,080	847,309	847,049	847,049	847,263	848,279
29	Line Transformers	368	1,253,480	1,258,012	1,259,190	1,264,232	1,272,860	1,273,699	1,284,399
30	Services	369	682,501	682,839	685,069	680,259	680,944	688,645	690,530
31	Meters	370	297,731	297,731	297,731	297,731	297,731	297,731	297,731
32	Installation on Customer's Premises	371	84,516	85,387	85,387	85,641	85,641	85,641	85,641
33	Leased Property on Customers' Premises	372	-	-	-	-	-	-	-
34	Street Lighting and Signal Systems	373	74,713	75,465	75,465	75,465	75,465	75,465	75,465
35	Total WY Distribution Plant		18,577,040	18,589,601	18,611,593	21,476,155	21,510,677	21,520,578	21,534,719
36									
37	MT ELECTRIC PLANT IN SERVICE								
38	DISTRIBUTION PLANT								
39	Land and Land rights	360	26,304	26,304	26,304	26,304	26,304	26,304	26,304
40	Structures and Improvements	361	5,970	5,970	5,970	5,970	5,970	5,970	5,970
41	Station Equipment	362	445,583	445,583	427,960	427,960	427,960	427,960	427,960
42	Storage Battery Equipment	363	-	-	-	-	-	-	-
43	Poles, Towers and Fixtures	364	386,620	386,620	386,620	386,620	386,527	386,527	387,623
44	Overhead Conductors and Devices	365	422,605	422,605	422,605	423,289	423,284	423,284	426,182
45	Underground Conduit	366	226	226	226	226	226	226	226
46	Underground Conductors and Devices	367	13,497	13,497	13,497	13,308	13,308	13,308	13,144
47	Line Transformers	368	47,104	47,104	47,104	47,557	43,786	45,067	48,822
48	Services	369	6,344	6,344	6,344	6,344	6,344	6,344	6,344
49	Meters	370	1,276	1,276	1,276	1,276	1,276	1,276	1,276
50	Installation on Customer's Premises	371	-	-	-	-	-	-	-
51	Leased Property on Customers' Premises	372	-	-	-	-	-	-	-
52	Street Lighting and Signal Systems	373	-	-	-	-	-	-	-
53	Total MT Distribution Plant		1,355,529	1,355,529	1,337,906	1,338,854	1,334,985	1,336,266	1,343,851

BLACK HILLS POWER, INC.
PLANT IN SERVICE BY JURISDICTION DETAIL FOR DISTRIBUTION
 For the Test Year Ended September 30, 2013

LINE NO.	By Jurisdiction Detail	FERC Acct. #	(h)	(i)	(j)	(k)	(l)	(m)	(n)
			PLANT BALANCE Apr-13	PLANT BALANCE May-13	PLANT BALANCE Jun-13	PLANT BALANCE Jul-13	PLANT BALANCE Aug-13	PLANT BALANCE Sep-13	[(Sum ((a)-(m)))/13] 13 MONTH AVERAGE PLANT BALANCE
1	SD ELECTRIC PLANT IN SERVICE								
2	DISTRIBUTION PLANT								
3	Land and Land Rights	360	2,010,730	2,010,730	2,010,730	2,010,730	2,012,538	2,157,796	2,022,060
4	Structures and Improvements	361	699,431	699,431	699,431	699,431	700,012	716,770	700,802
5	Station Equipment	362	58,303,192	58,325,848	58,329,097	60,895,636	62,124,683	63,027,289	59,124,691
6	Storage Battery Equipment	363	-	-	-	-	-	-	-
7	Poles, Towers and Fixtures	364	64,426,791	64,537,736	64,759,868	64,834,612	65,095,227	65,792,013	64,182,500
8	Overhead Conductors and Devices	365	40,086,275	40,175,792	40,400,051	40,557,608	40,625,336	40,900,457	39,763,582
9	Underground Conduit	366	4,007,023	4,006,289	4,068,508	4,075,605	4,149,645	4,166,559	4,006,682
10	Underground Conductors and Devices	367	38,765,483	38,771,190	38,912,895	39,047,331	39,247,278	39,283,451	38,801,103
11	Line Transformers	368	33,828,736	33,880,725	34,014,442	34,133,965	34,368,309	34,564,033	33,679,565
12	Services	369	28,784,001	28,852,162	29,057,701	29,232,467	29,344,513	29,474,752	28,556,304
13	Meters	370	6,878,352	6,780,106	6,771,024	6,768,053	6,768,053	6,768,053	6,690,268
14	Installation on Customer's Premises	371	2,095,550	2,096,423	2,112,525	2,121,256	2,123,030	2,120,258	2,091,882
15	Leased Property on Customers' Premises	372	-	-	-	-	-	-	-
16	Street Lighting and Signal Systems	373	1,654,903	1,656,574	1,656,386	1,658,894	1,658,716	1,655,745	1,650,961
17	Total SD Distribution Plant		281,540,467	281,793,006	282,792,658	286,035,588	288,217,340	290,627,176	281,270,400
18									
19	WY ELECTRIC PLANT IN SERVICE								
20	DISTRIBUTION PLANT								
21	Land and Land rights	360	58,221	58,221	58,221	58,221	58,221	58,221	58,221
22	Structures and Improvements	361	2,089	2,089	2,089	2,089	2,089	2,089	2,089
23	Station Equipment	362	13,293,251	13,293,251	13,293,251	10,982,941	10,982,941	10,982,941	12,095,387
24	Storage Battery Equipment	363	-	-	-	-	-	-	-
25	Poles, Towers and Fixtures	364	3,239,839	3,239,839	3,237,049	3,236,929	3,241,159	3,257,658	3,231,424
26	Overhead Conductors and Devices	365	1,600,417	1,600,417	1,600,400	1,600,331	1,600,331	1,607,957	1,594,132
27	Underground Conduit	366	74,874	74,874	74,874	74,874	74,874	74,874	75,074
28	Underground Conductors and Devices	367	848,279	848,279	848,339	848,339	848,339	850,885	847,420
29	Line Transformers	368	1,282,744	1,284,025	1,292,288	1,290,550	1,295,083	1,315,620	1,278,937
30	Services	369	701,974	706,894	706,806	713,715	717,200	717,200	696,506
31	Meters	370	297,731	297,731	297,731	297,731	297,731	297,731	297,731
32	Installation on Customer's Premises	371	85,641	85,641	85,641	85,641	85,641	85,641	85,515
33	Leased Property on Customers' Premises	372	-	-	-	-	-	-	-
34	Street Lighting and Signal Systems	373	75,541	75,541	75,541	75,541	75,541	75,541	75,442
35	Total WY Distribution Plant		21,560,501	21,566,802	21,572,230	19,265,902	19,279,150	19,326,358	20,337,877
36									
37	MT ELECTRIC PLANT IN SERVICE								
38	DISTRIBUTION PLANT								
39	Land and Land rights	360	26,304	26,304	26,304	26,304	26,304	26,304	26,304
40	Structures and Improvements	361	5,970	5,970	5,970	5,970	5,970	5,970	5,970
41	Station Equipment	362	427,960	427,960	427,960	427,960	427,960	431,149	430,917
42	Storage Battery Equipment	363	-	-	-	-	-	-	-
43	Poles, Towers and Fixtures	364	389,752	389,752	389,752	389,752	388,016	388,016	387,861
44	Overhead Conductors and Devices	365	426,641	426,641	426,641	426,641	426,641	426,641	424,900
45	Underground Conduit	366	226	226	226	226	226	226	226
46	Underground Conductors and Devices	367	13,144	13,144	13,144	13,144	13,144	13,144	13,263
47	Line Transformers	368	62,915	62,915	62,675	63,529	66,488	69,050	54,932
48	Services	369	6,344	6,344	6,344	6,986	9,802	9,802	6,925
49	Meters	370	1,276	1,276	1,276	1,276	1,276	1,276	1,276
50	Installation on Customer's Premises	371	-	-	-	-	-	-	-
51	Leased Property on Customers' Premises	372	-	-	-	-	-	-	-
52	Street Lighting and Signal Systems	373	-	-	-	-	-	-	-
53	Total MT Distribution Plant		1,360,532	1,360,532	1,360,292	1,361,788	1,365,827	1,371,578	1,352,575

BLACK HILLS POWER
Operation and Maintenance Expense by Month - Total Company
For the Test Year Ended September 30, 2013

Line No.	FERC Account	Description	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Total
1		Steam Production Operation:													
2	500	Supervision & Engineering	170,182	99,888	143,318	184,031	370,451	120,454	162,653	152,491	135,117	(16,218)	182,185	137,605	1,842,157
3	501	Fuel (Handling and Ash Removal)	78,095	65,862	74,882	72,466	63,225	48,538	70,382	67,614	72,875	95,853	59,676	91,903	861,471
4	501.1	Steam Power Fuel - Gas	6,259	205	12,938	(35)	82,894	42,226	16,436	5,276	3,046	30,264	1,710	(21)	201,198
5	501.2	Steam Power Fuel - Oil	8,199	7,652	7,081	46,495	12,304	24,664	54,468	7,760	103,383	11,941	22,792	54,202	360,941
6	501.3	Steam Power Fuel - Coal	1,766,274	1,702,036	1,359,990	1,640,655	1,445,190	1,438,418	1,558,254	1,645,845	1,566,636	1,648,121	1,696,279	1,469,822	18,937,520
7	501.4	Steam Power Fuel - Transportation	-	1,739	(1,739)	-	-	-	-	-	-	-	-	-	-
4	502	Steam Expense	(69,114)	249,136	313,306	225,524	254,317	216,791	309,563	256,628	266,570	316,187	250,602	216,634	2,806,144
5	505	Electric Expense	455,551	103,520	86,625	82,071	51,462	64,285	82,598	67,983	113,879	67,688	67,688	52,965	1,308,593
6	506	Miscellaneous	69,600	63,253	97,249	72,519	99,717	64,549	84,712	83,285	68,373	64,341	68,428	58,732	894,758
7	507	Rent	221,542	265,542	37,779	206,718	210,087	208,439	208,439	208,439	208,439	208,439	208,439	153,433	2,405,735
8		Total Steam Production Operation	2,706,588	2,558,833	2,191,429	2,530,444	2,589,647	2,228,464	2,547,505	2,495,321	2,504,405	2,472,807	2,557,799	2,235,275	29,618,517
9															
10		Steam Production Maintenance:													
11	510	Supervision & Engineering	143,704	103,468	170,985	111,499	106,160	103,276	154,197	113,227	118,459	125,244	103,868	100,627	1,454,714
12	511	Structures	74,337	74,384	76,328	40,665	80,553	71,539	66,498	64,090	62,353	80,625	71,839	57,073	820,284
13	512	Boilers	301,694	248,848	(104,080)	570,988	(197,155)	512,156	358,913	329,592	415,765	418,496	271,032	429,721	3,555,970
14	513	Electric Plant	99,376	43,884	71,767	35,948	38,569	78,898	88,279	73,473	47,079	75,774	40,369	94,556	787,972
15	514	Miscellaneous Plant	12,654	8,450	18,182	13,267	12,079	19,823	8,565	16,342	10,483	12,464	11,911	10,539	154,759
16		Total Steam Production Maintenance	631,765	479,034	233,182	772,367	40,206	785,692	676,452	596,724	654,139	712,603	499,019	692,516	6,773,699
17															
18		Total Steam Production Expense	3,338,353	3,037,867	2,424,611	3,302,811	2,629,853	3,014,156	3,223,957	3,092,045	3,158,544	3,185,410	3,056,818	2,927,791	36,392,216
19															
20		Other Production Operation:													
21	546	Supervision & Engineering	16,886	12,405	17,412	14,038	45,791	18,531	37,671	37,923	14,131	2,141	18,694	15,422	251,045
22	547	Fuel	342,853	255,457	91,709	76,188	26,853	161,127	107,086	130,661	193,286	580,946	367,649	289,717	2,623,532
23	548	Generation Expense	39,854	43,223	43,930	31,063	105,162	7,787	54,331	56,127	39,264	40,799	48,366	31,928	541,834
24	549	Miscellaneous	8,392	12,063	17,506	18,960	17,325	(11,400)	6,201	12,290	9,094	8,107	5,610	4,147	108,295
25	550	Rents	9,660	9,660	73,912	14,909	14,909	14,909	14,909	14,909	14,909	14,909	14,909	14,909	227,413
26		Total Other Production Operation	417,645	332,808	244,469	155,158	210,040	190,954	220,198	251,910	270,684	646,902	455,228	356,123	3,752,119
27															
28		Other Production Maintenance:													
29	551	Supervision & Engineering	13,587	22,727	32,882	21,796	26,897	24,422	22,222	8,440	6,522	8,121	8,268	3,076	198,960
30	552	Structures	-	87	688	-	168	69	253	-	3,477	955	10	1,522	7,229
31	553	Electric Plant	28,553	46,492	373,369	46,089	53,232	31,963	122,659	114,601	34,413	103,139	50,609	62,934	1,068,053
32	554	Miscellaneous Plant	4,635	23,551	(11,918)	3,846	7,878	10,757	4,517	7,672	4,961	12,382	9,296	11,790	89,367
33	556	System Control and Load Dispatch	131,187	109,392	118,518	86,692	114,753	(194,082)	425,724	131,966	162,270	148,156	142,768	32,130	1,409,474
34	557	Other Expenses	-	-	2,000	-	-	-	-	-	-	-	-	-	2,000
35		Total Other Production Maintenance	177,962	202,249	515,539	158,423	202,928	(126,871)	575,375	262,679	211,643	272,753	210,951	111,452	2,775,083
36															
37		Total Other Production Expense	595,607	535,057	760,008	313,581	412,968	64,083	795,573	514,589	482,327	919,655	666,179	467,575	6,527,202
38															
39		Other Power Supply													
40	555	Purchased Power - Energy	2,086,879	2,920,765	2,857,159	2,992,242	2,423,191	3,118,268	2,910,133	2,051,753	2,629,391	3,302,515	3,168,237	2,747,554	33,208,087
41	555	Purchased Power - Capacity	592,628	584,274	595,337	599,020	599,884	599,032	599,308	592,749	622,349	602,833	602,833	602,714	7,192,961
42	555	Purchased Power - Intercapacity	469,810	457,670	567,340	672,906	550,893	576,522	490,055	365,053	345,177	257,327	228,313	307,946	5,289,012
43		Total Other Power Supply	3,149,317	3,962,709	4,019,836	4,264,168	3,573,968	4,293,822	3,999,496	3,009,555	3,596,917	4,162,675	3,999,383	3,658,214	45,690,060
44															
45		Total Production Expenses	7,083,277	7,535,633	7,204,455	7,880,560	6,616,789	7,372,061	8,019,026	6,616,189	7,237,788	8,267,740	7,722,380	7,053,580	88,609,478
46															

BLACK HILLS POWER
Operation and Maintenance Expense by Month - Total Company
For the Test Year Ended September 30, 2013

Line No.	FERC Account	Description	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Total
47		Electric Transmission Operations													
48	560	Supervision & Engineering	63,299	44,716	143,620	66,790	77,192	51,085	57,534	80,211	20,799	42,303	56,727	41,778	746,054
49	561	Load Dispatch	242,467	167,376	220,370	131,035	160,800	185,803	178,712	176,600	149,255	229,373	188,296	173,419	2,203,506
50	562	Station Equipment	42,406	34,277	27,128	[16,803]	26,786	18,712	21,759	19,524	42,465	18,838	46,916	(1,649)	280,359
51	563	Overhead Lines	43	1,803	13,719	32,889	12,354	1,998	684	701	14,365	910	77	722	80,265
52	564	Underground Line	-	-	-	-	-	-	(143)	-	-	-	-	-	-143
53	565	Transmission of Electricity by Others	1,402,870	1,764,210	1,373,463	1,839,698	1,512,824	1,530,177	1,677,527	1,565,979	1,780,004	1,199,160	1,776,167	1,319,810	18,741,889
54	566	Miscellaneous	9,955	6,355	10,640	7,497	6,221	8,015	8,961	13,403	3,166	14,368	17,615	24,858	131,054
55	567	Rents	-	-	-	-	-	-	-	-	-	-	-	-	-
56		Total Electric Transmission Operations	1,761,040	2,018,737	1,788,940	2,061,106	1,796,177	1,795,790	1,945,094	1,856,418	2,010,054	1,504,952	2,085,798	1,558,938	22,182,984
57															
58		Transmission Maintenance:													
59	568	Supervision & Engineering	-	-	-	-	66	(6)	14	14	(26)	(9)	11	(9)	55
60	569	Structures	-	-	-	-	-	-	-	-	-	-	-	-	0
61	570	Station Equipment	11,039	12,116	12,656	5,815	10,412	5,280	18,918	20,365	11,954	14,958	17,514	2,569	143,596
62	571	Overhead Lines	620	266	1,098	12,222	(6,538)	610	8,677	(174)	4,811	32,040	21,591	1,525	76,748
63	572	Underground Lines	-	-	-	-	-	-	-	-	-	-	-	-	0
64	573	Miscellaneous	-	-	1,108	-	-	-	-	-	-	-	-	-	1,108
65		Total Transmission Maintenance	11,659	12,382	14,862	18,037	3,940	5,884	27,609	20,205	16,739	46,989	39,116	4,085	221,507
66															
67		Total Transmission Expenses	1,772,699	2,031,119	1,803,802	2,079,143	1,800,117	1,801,674	1,972,643	1,876,623	2,026,793	1,551,941	2,124,914	1,563,023	22,404,491
68															
69		Electric Distribution Operations													
70	580	Supervision	143,044	77,464	165,726	67,730	314,224	66,213	167,415	162,495	65,123	(11,977)	136,283	58,094	1,411,834
71	581	Load Dispatch	37,251	11,213	21,761	36,623	2,425	28,340	21,371	24,030	26,475	30,594	31,102	25,639	296,824
72	582	Station Equipment	24,402	31,200	23,283	43,454	48,706	38,042	47,060	40,416	28,586	62,243	35,727	26,007	449,126
73	583	Overhead Lines	33,053	134,456	63,288	28,082	45,840	14,245	21,254	25,462	41,154	33,290	26,887	19,006	486,017
74	584	Underground Lines	36,145	26,289	24,960	16,374	14,588	11,368	18,304	28,927	29,867	41,413	31,689	25,174	305,098
75	585	Street Lighting	1	-	-	-	-	-	-	-	-	-	-	-	1
76	586	Metering	71,529	75,220	71,613	47,305	69,855	41,392	68,955	90,101	76,251	90,148	39,639	44,532	786,540
77	587	Customer Installations	1,722	928	1,509	920	1,465	6,640	5,239	1,376	2,185	1,659	(1,554)	671	22,760
78	588	Miscellaneous	78,743	67,712	(155,974)	230,032	(232,347)	37,127	21,215	21,301	28,147	96,861	87,425	86,709	366,951
79	589	Rents	1,588	1,588	1,588	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	17,724
80		Total Electric Distribution Operations	427,478	426,070	217,754	471,960	266,196	244,807	372,253	395,548	299,228	345,671	388,638	287,272	4,142,875
81															
82		Electric Distribution Maintenance													
83	590	Supervision	682	-	-	-	11	-	3	3	556	(8)	9	(6)	1,250
84	592	Station Equipment	25,774	22,015	18,363	12,743	27,406	29,230	22,325	21,345	24,450	29,190	39,806	15,142	287,789
85	593	Overhead Lines	166,850	127,515	248,925	139,940	251,885	262,135	375,615	326,638	316,845	337,419	460,097	445,507	3,459,371
86	594	Underground Lines	27,517	6,128	22,245	15,502	7,346	(3,333)	8,557	17,899	17,665	61,642	30,960	22,260	234,388
87	595	Transformers	2,168	4,620	3,546	3,835	2,307	4,014	4,042	4,186	5,322	7,690	3,415	2,501	47,646
88	596	Street Lighting	2,651	3,799	11,706	7,332	14,529	(6,934)	579	3,055	4,387	5,807	7,662	2,272	56,845
89	597	Metering	7,826	4,454	4,132	4,050	9,567	8,963	2,354	4,532	7,927	9,778	3,000	2,573	69,156
90	598	Miscellaneous	1,112	4,056	4,054	5,301	8,343	10,413	11,193	11,065	10,026	17,229	(2,038)	14,168	94,932
91		Total Electric Distribution Maintenance	234,580	172,597	312,971	188,703	321,394	304,488	424,668	388,723	387,178	468,747	542,911	504,417	4,251,377
92															
93		Total Electric Distribution Expenses	662,058	598,667	530,725	660,663	587,590	549,295	796,921	784,271	686,406	814,418	931,549	791,689	8,394,252
94															
95		Customer Accounting Expense													
96	901	Supervision	4,053	3,251	4,791	1,955	3,008	4,409	3,223	5,209	2,901	9,635	9,445	2,242	54,121
97	902	Meter Reading	2,818	2,006	3,101	1,857	1,401	2,308	546	167	902	1,937	1,345	1,540	19,927
98	903	Customer Records and Collection	221,805	114,265	(26,003)	172,440	65,372	132,615	158,184	155,916	149,532	148,566	161,825	135,090	1,589,608
99	904	Uncollectible Accounts	29,480	30,962	32,351	24,331	22,582	22,518	42,338	41,621	40,838	50,337	50,917	52,603	440,879
100	905	Miscellaneous	64,613	53,165	71,066	37,524	44,230	32,924	37,529	55,065	43,834	71,753	52,961	39,106	603,770
101		Total Customer Accounting Expense	322,769	203,649	85,306	238,107	136,593	194,774	241,820	257,978	238,007	282,228	276,493	230,581	2,708,305
102															

BLACK HILLS POWER, INC.
PLANT IN SERVICE ANNUALIZATION
For the Pro Forma Test Year Ended September 30, 2013

WP-4
Page 1 of 1

Line No.	Description	(a) Account 106 (Note 1)	(b) Account 106 (Note 2)	(c) Account 101 (Note 1)	(d) Sum ((a):(c)) Total
1	Steam Production- by Plant				
2	Neil Simpson I	\$ -	\$ -	\$ 6,854	\$ 6,854
3	Neil Simpson II	203,148	168,001	114,356	485,505
4	Wygen III	907,208	44,867	90,163	1,042,238
5	Wyodak	-	701,729	119,271	821,000
6	Subtotal Steam Production	1,110,356	914,597	330,644	2,355,597
7	Other Production	92,235	284,834	658,850	1,035,919
8	Total Production Plant	1,202,591	1,199,431	989,494	3,391,516
9					
10	Distribution	1,453,848	1,018,369	2,731,725	5,203,942
11					
12	General	889,954	601,578	1,032,008	2,523,540
13					
14	Total Annualization	\$ 3,546,393	\$ 2,819,378	\$ 4,753,227	\$ 11,118,998

17 Note 1: Annualization of assets transferred from account 107 during the test year.

18 Note 2: Assets put into service from October 1, 2013 - December 31, 2013, excluding Winter Storm Atlas capital projects.

BLACK HILLS POWER, INC.
Ben French, Neil Simpson I, Osage General Plant and Accumulated Depreciation
For the Test Year Ended September 30, 2013

Line No.	Description	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	13 month average
1	Ben French														
2	Plant in Service	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73	46,411.73
3	Accumulated Depreciation	11,777.01	12,307.84	12,845.13	12,756.91	13,283.64	13,803.34	14,358.22	14,878.66	15,399.25	15,919.98	16,440.39	16,961.44	17,482.60	14,478.03
4	Net General Plant	34,634.72	34,103.89	33,566.60	33,654.82	33,128.09	32,608.39	32,053.51	31,533.07	31,012.48	30,491.75	29,971.34	29,450.29	28,929.13	31,933.70
5															
6	Neil Simpson I														
7	Plant in Service	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18	107,371.18
8	Accumulated Depreciation	30,302.98	33,824.57	35,341.91	36,073.09	37,284.00	38,519.19	39,372.88	40,574.31	41,797.44	42,991.83	44,167.55	45,360.27	46,550.85	39,396.99
9	Net General Plant	77,068.20	73,546.61	72,029.27	71,298.09	70,087.18	68,851.99	67,998.30	66,796.87	65,573.74	64,379.35	63,203.63	62,010.91	60,820.33	67,974.19
10															
11	Osage														
12	Plant in Service	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99	28,689.99
13	Accumulated Depreciation	8,752.85	9,295.25	9,652.46	9,629.96	9,955.50	10,279.88	10,585.25	10,906.71	11,230.28	11,551.22	11,870.25	12,191.18	12,511.95	10,647.13
14	Net General Plant	19,937.14	19,394.74	19,037.53	19,060.03	18,734.49	18,410.11	18,104.74	17,783.28	17,459.71	17,138.77	16,819.74	16,498.81	16,178.04	18,042.86
15															