

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 (k).

BLACK HILLS POWER, INC.
POWER MARKETING EXPENSE ADJUSTMENT
For the Test Year Ended June 30, 2012

Line No.	Description	Reference	Amount
1	Power Marketing Operating Expense		
2	Coal Expense		\$ 1,343,520
3			
4	Other Fuel Expense		670,349
5			
6	Purchased Power Expense		29,344,783
7			
8	Transmission Expense		1,535,166
9			
10	Labor - Bonus		<u>311,866</u>
11			
12	Total Power Marketing Operating Expenses	Sum (Ln.2:Ln.10)	<u>\$ 33,205,684</u>