

## 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](#).

## 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>	
25										
26	Note (1) Non-depreciable items from Schedule D-1 include: land, land rights, acquisition adjustment and rate case costs.									