Statement of Qualifications

Douglas N. Hyatt

I graduated from Colorado State University with a bachelor's degree in political science. Upon graduation, I received a commission as an Officer in the United States Air Force Reserve, and after serving on active duty I was placed on inactive individual ready reserve status for the remainder of my service commitment.

I accepted a civilian position with the United States Department of State at Embassy Budapest, Hungary. After working for three years in Budapest, I returned to Colorado in 1993 and began working towards an MBA at the University of Colorado at Denver. During a portion of my two years of studies, I accepted a civilian position in Office Automation with the Defense Finance and Accounting Service in Denver, Colorado. Upon achieving an MBA in 1995, I accepted a position as a Telecommunications Analyst with AT&T Wireless in Denver.

In April 1996, I accepted a position as a Telecommunication Analyst with First Data Corporation located in Englewood, Colorado. In that capacity, I oversaw the auditing of telecommunications services expense as well as the impact upon the unit cost to the Company of various retail customer financial transactions. I led the effort to develop a database to enable network engineers to maintain network information, to streamline the auditing of network cost, and properly account for the costs incurred for multitude of internal and external customers.

In January 2001, I accepted a position as a Senior Specialist with AT&T. In this position, I championed regulatory initiatives to reduce or mitigate potential increases to expense, and supported state advocacy plans to ensure favorable State Public Utilities Commission rulings to reduce intercarrier compensation expense. I have testified before the Colorado Public Utilities Commission and drafted written testimony for submission to State Utilities Commissions. I assisted in the preparation of highly complex unit cost modeling for state regulatory proceedings throughout Qwest's 14 state territory. While at AT&T, I completed a Master of Applied Science Degree in Telecommunications at the University of Denver.

In November 2007, I accepted a position as a Lead Telecommunications Analyst with Qwest Communications. In this position, I played a lead role in auditing switched access expense to the Company. I played a role in the development of one of the largest private corporate databases

in the World. During database development, I honed my expertise in compiling very large volumes of complex data into meaningful analytics for corporate decision makers.

I began my employment with Black Hills Corporation in June 2014, as a Principal Regulatory Analyst. In this role and my current role as Manager of Regulatory, I have prepared and presented complex analyses and studies for the electric and natural gas utilities of BHC. I have prepared many studies and analyses in support of Company advocacy before the Arkansas Public Service Commission, Colorado Public Utilities Commission, Kansas Corporation Commission, Iowa Utilities Board, Nebraska Public Service Commission, and the Wyoming Public Service Commission for both electric and natural gas rate proceedings.

Mains Classification and Weighting Factor Study

Introduction

Supporting studies are prepared for the class cost of service study that develop the classification of mains, and the customer weighting factors for service lines, meters and regulators, and customer accounting-related costs. In these studies, the following relationships are analyzed:

1. Mains - Account 367 and Account 376 - Development of the classification of mains investment between capacity, commodity, and customer-related cost;
2. Service Lines - Account 380 - Development of weighting factors that recognize the relative cost of service lines for each customer class;
3. Meters and Regulators - Accounts 381 through 385 - Development of weighting factors that recognize the relative cost of the combined meter and regulator installation for each customer class; and
4. Customer Accounting - Development of weighting factors that recognize the relative cost of providing customer accounting, meter reading, billing, and customer service for each customer class.

The data relied upon for the mains, service lines, and meters and regulators analyses are contained in the Company's detailed property records. The base data underlying these analyses are the original cost and quantity data in the Company's continuing property records as of December 31, 2024, with adjustments related to large projects that are not captured in that data which will be discussed in more detail below. The relative relationships in these analyses are developed based on original costs restated to current cost levels (2024). We restate the original cost levels using Handy-Whitman cost indices for the North Central Region. By developing relationships based on current cost levels, inflationary impacts do not affect the analyses, and more stable relationships result over time since the timing of renewals and replacements do not distort the analyses.

The Handy-Whitman cost indices are published twice a year by Whitman, Requardt and Associates, LLP and contain cost indices and construction cost trends back to 1912 for electric, gas, and water utility assets. The indices for gas utilities are developed by the FERC Uniform System of Accounts for six regions in the United States. These indices have been published since the 1920s and are a utility standard for determining inflation adjusted cost and replacement cost analyses for utility assets.

The purpose of the mains classification analysis is to determine the relative relationships between the commodity, capacity, and customer functions served by these facilities. The underlying assets are very long-lived; as such, the underlying costs of the assets change significantly over the useful life of these assets. Further, the construction of the distribution system follows a natural progression with higher diameter, higher capacity facilities built first, and the smaller diameter facilities built to serve individual or small groups of

customers are constructed as service is required. In addition, changes in construction and maintenance practices over time have resulted in replacement programs that are not necessarily uniform. To focus the analysis on the relative amount of investment required to serve commodity, capacity, and customer functions that are not impacted by timing or the transient effects of when assets are replaced or renewed, it is important to remove such effects from the analyses. Restating the original costs that are based on the vintage date of the installation to current cost by trending the original costs to current costs mitigates the effects of time and transient effects; thus, producing a more stable result over time that better reflects the function the assets serve.

Likewise, it is important to remove timing effects from the determination of the relative costs of service lines, and meters and regulators by restating these costs to current cost levels such that we are truly reflecting the differences in the size and capacity of the facilities used to serve different customer classes. For meters and regulators, it is also important to recognize that meters and regulators are not permanently fixed and are fungible. It is not uncommon for a meter to be removed from one installation and then be installed at another location of comparable requirements.

Mains Classification Study

There are three basic components of cost associated with service from a gas distribution system. These cost components are capacity- (peak), energy- (commodity or throughput), and customer-related. Investment in mains is related to all three of these cost components. We generally consider transmission mains to serve capacity and energy functions, and distribution mains to serve customer and capacity functions.

As a functional classification, transmission (from an engineering, cost allocation perspective) represents the movement of natural gas from sources of supply to general areas of consumption. The distribution function, on the other hand, represents the movement of gas within general areas of consumption to individual customers.

The definition of the transmission and distribution function is not the same things as the FERC Uniform System of Accounts Definition of transmission and distribution. As indicated above, the transmission function for cost allocation purposes includes facilities that move gas from sources of supply to general areas of consumption. This function is generally served by higher diameter, higher pressure mains that only directly serve very large customers. Facilities that are booked to both the transmission mains account (primarily Account 367) and distribution mains (primarily Account 376) serve this function. Therefore, higher diameter, higher pressure distribution mains also serve a transmission function.

Certain mainline non-jurisdictional industrial customers were directly assigned all the plant required to serve them, thus eliminating any allocation of distribution mains related facilities that are not required or used and useful to providing them service. These directly assigned mains are excluded from the mains classification study used to determine the classification

and allocation of mains to the non-direct assigned jurisdictional and non-jurisdictional customers.

Direct Served Customers

There are three classes of direct served customers; two classes are the same as those on the prior legacy systems and one contains a new class of customers that has evolved since the last rate cases. The two historical classes are customers who are directly connected to interstate pipelines and customers who are served from the Company transmission system. The new class includes natural gas suppliers who directly supply natural gas into the Company's transmission or distribution system.

As in the past, investment associated with customers directly connected to interstate (third-party) transmission systems will be directly assigned to those customers. Thus, no other customers will be allocated any of those facilities that directly serve these customers, and these directly served customers will not be allocated any of the other transmission or distribution facilities that are not used and useful to their service. In the workpapers and class cost of service study, these customers are aggregated into a separate class.

The second class are customers served from Company transmission facilities. These customers are allocated costs of facilities classified as transmission but are not allocated costs classified as distribution. This class is referred to as "Negotiated-Transmission".

The third class includes facilities associated with directly connected suppliers of natural gas. The nature of this service is fundamentally different from the service provided to sales or transportation customers. The service provided by the Company is providing facilities that connect the suppliers natural gas production facilities to the Company's transmission or distribution system for delivery to the Company's customers. Currently, the suppliers are landfills and a sewage treatment plant that produce renewable natural gas ("RNG") but could include other facilities that also produce RNG. The investment made by the Company to connect these suppliers will be directly assigned to this customer class and no other costs associated with the Company's transmission and distribution system will be allocated to these suppliers since the facilities used and useful to these operations are used to supply natural into the Company's system, not take delivery of gas from the Company's or third-party systems. This class is referred to as "Negotiated-Supply".

The determination of which customers are assigned to these three classes was based on detailed study of the Company and third-party transmission facilities used to serve these customers as shown in the Company's GIS system. Any plant directly assigned to these customers is based on the plant recorded in the Company's continuing property records including allowance for any direct construction contribution made by these customers. In some cases, these customers are served directly off third-party transmission systems with no facilities owned by the Company and thus required no direct investment in facilities. The maps, investment, and other allocation related information for these customers will be included as confidential workpapers since they contain customer specific information. In

total, there are 44 Negotiated-Transmission customers, 16 Negotiated-Direct customers, and 2 Negotiated-Supply suppliers.

The remaining non-jurisdictional large volume customers not in these three classes are assigned to non-jurisdictional classes in the same manner as they have been treated in prior legacy class cost of service studies.

Transmission Facilities

The allocation of investment in facilities serving a transmission function should recognize that these facilities are used to meet both peak and annual requirements of customers. These facilities, though sized to meet system peak requirements, are also influenced by annual requirements. To recognize this dual nature, the cost of these facilities should be allocated on a basis that recognizes both peak and annual use of the facilities. A variety of methods have been used to recognize the dual nature of these facilities. For transmission-related costs system equal weight is given to the capacity and commodity functions, consistent with how these facilities have been assigned in past.

The assignment of transmission-related costs equally (50/50) to capacity and commodity has historically been referred to as the Atlantic Seaboard Method. Between the early 1950's and 1973, the primary method used by the Federal Power Commission (now FERC) was the Atlantic Seaboard methodology. Under this methodology, fixed costs were assigned equally (50/50) to the fixed (demand or capacity) and variable (commodity) cost classifications. More recently, the current methodology used by the FERC has evolved to a straight fixed variable ("SFV") methodology that assigns 100% of fixed costs to the capacity function.

Distribution Facilities

The allocation of investment in facilities serving a distribution function should recognize that the cost of these facilities is driven by two principal factors. First, is the cost of extending the system to connect individual customers. Second, is the cost associated with the capacity (peak day) requirements of the customers connected. Though facilities serving a distribution function are also used to meet customers' annual requirements, due to the local nature of the facilities and their customer specific cost, we do not allocate any cost associated with the distribution function based on annual throughput. Reasonable and consistent results are achieved by allocating costs of facilities, which are functionally classified as distribution, based on the number of customers and peak period requirements. The customer-related function of mains is not the same as the customer-specific cost component. Within the distribution function, the service lines, meters and regulators, are for the most part, used to serve individual customers. Costs associated with these items are considered customer specific. There is also a customer component of distribution mains which recognizes the cost implications of the distance between individual customers or customer density on the cost of distribution mains. The quantity (i.e. length) of smaller diameter distribution mains is primarily driven by the distance between customers and customer density.

For the lower capacity, smaller diameter mains, customer density and the relative distance between customers is a significant driver in the quantity of pipe that must be installed and contributes to the need for increased pipe diameter both of which have a significant impact on cost. The quantity (length) of pipe required to serve smaller residential and commercial customers is greater in rural and less populated urban areas, thus, resulting in a higher unit cost per customer associated with the mains required to serve these customers. In urban areas, there are significantly more multi-family dwelling units and strip type retailing, and even single-family homes tend to be clustered closer together than is the case in rural or even suburban areas. Further, as distance increases for a given demand, pipe diameter must also be increased to reflect the cumulative effect of the friction losses (and resulting pressure decline) in the pipe. This also increases the relative unit cost of mains per customer in rural compared to urban areas. These customer related cost drivers are primarily a characteristic of the design of the distribution system that serves residential and small commercial customers. Larger customers are typically served at higher pressures off larger diameter pipe where capacity and commodity are the primary design considerations.

We assign mains larger than a certain size as serving a transmission function based upon the relative capacity of the various sizes of pipe. Pipeline flow formulas generally suggest that the capacity of a pipeline is proportional to its diameter to something on the order of the 2.5 power. Raising the diameter to the 2.5 power and multiplying by distance results in an indication of the relative capacity of the system. Further, all other things being equal, a steel main of a given size is going to have more capacity than the same size plastic main because the additional strength of steel allows steel mains to be operated at higher pressures than plastic mains.

Schedule 2-3, Lines 10-31 details how the assignment of distribution mains was developed. The distribution mains are summarized on Lines 33-46 of Schedule 2-3 from lowest to highest diameter. As shown on Line 38 of Schedule 2-3, the break point for distribution mains between transmission- and distribution-related facilities results in approximately 64% of the relative capacity being assigned to the distribution function with the remaining 45% of the relative capacity being assigned to the transmission function. This split results in 21.41% of the investment in the distribution main's function being assigned to the transmission function as shown on Line 48. The remaining 78.59% is assigned to the distribution function. The 21.41% is classified 50 percent demand or capacity and 50 percent commodity.

The break point between the transmission function and distribution function is such that the relative capacity of the mains classified as transmission approximately equals that of mains classified as distribution. This occurs between mains of 4 and 6 inches in diameter with mains of 6 inches or greater being assigned to the transmission function and the small diameters being assigned to the distribution function. In the last rate review the breakpoint was between 6 and 8 inches. The 78.59% assigned to the distribution function is assigned between the customer and capacity functions based on examination of relative capacity and cost relationships contained in Schedule 2-3 that was used to determine the amount of

distribution facilities assigned to the transmission function. The mains classified as distribution (78.59% of cost) are classified as capacity and customer. The portion classified as capacity is based on the unit cost of capacity of the 4-inch mains (the largest diameter, highest capacity distribution mains) which equals $1.40 per unit of capacity (feet times diameter to the 2.5 power). This results in 54.91% of the investment in distribution mains being classified as capacity-related and 45.09% as customer-related as shown on Lines 57 and 58 of Schedule 2-3.

The transmission-related portion of distribution mains equals 21.41% split equally between the commodity and capacity function resulting in 10.71% (21.41% x 50%) of the overall cost assigned to each function (Lines 49 and 50 of Schedule 2-3). The remaining 78.59% is split 54.91% to capacity and 45.09% to customer, resulting in 43.15% (78.59% x 54.91%) assigned to the capacity function and 35.43% (78.59% x 45.09%) assigned to the customer function (Lines 68 and 69 of Schedule 2-3). Combining the transmission and distribution functions for distribution mains results in 10.71% assigned to the commodity function, 53.86% (10.71% + 43.15%) assigned to the capacity function, and 35.43% assigned to the customer function as shown on Lines 60 through 62 of Schedule 2-3.

The overall classification of distribution mains compared to the classifications used in the last rate case are as follows:

	Commodity	**Capacity**	**Customer**
Current Rate Review	10.71%	53.86%	35.43%
Last Rate Review	6.30%	41.82%	51.88%

The results from the current case appear reasonable when compared to the range from the last rate review.

In the last rate review, the Company had the functionalization of legacy SourceGas distribution plant cost booked to Account 376 associated with former Kinder Morgan transmission facilities as Transmission and classified 50 percent to Commodity and 50 percent to Capacity. The Company now functionalizes all distribution plant cost in the manner it had previously done with legacy Black Hills, as described above.

Service Lines Weighting Factors Study

Plant investment in service lines (Account 380) is allocated to customer classes based on the number of customers weighted to recognize relative differences in the unit investment cost in service lines used to connect customers in that class. The investment incurred to connect customers is a function of:

1) the average service line length and
2) the unit cost per foot.

The unit cost per foot is primarily a function of the diameter of the service line required. The analysis relies primarily on two sources of information. First, the Company's property records provide cost information regarding the various sizes of service lines. Second, the Company's Department of Transportation ("DOT") reports provide information regarding the number of service lines for each size. For the same reasons discussed above regarding mains, the original cost data should be restated in terms of current cost using Handy-Whitman indices for Account 380 - Services. Since the property records have not always measured quantity in the same manner as the DOT reports for service lines. For example, in some instances quantity might be number of service lines rather than the cumulative feet of service lines installed. Therefore, we also consider the unit cost per foot for comparable size and material of mains.

Service Lines Customer Weighting Factors

The class cost of service study in the current case combines customers from the two systems into one set of relatively homogeneous groups of customers having common characteristics of each of the legacy customer classes. The proposed customer classes are as follows:

1. Residential – the consolidation of the existing legacy Residential classes
2. Small Commercial
3. Large Commercial
4. Agricultural
5. Maximum Rate.
6. Interruptible Sales.
7. Negotiated Distribution.
8. Negotiated Transmission.
9. Negotiated Direct – customers served off interstate pipelines
10. Negotiated Supply – these customers do not have service lines, nor do they use any of the Company's facilities other than the pipe used to connect them to the Company's system.

The analysis developing the customer class weighting factors used in the class cost of service study is summarized in Schedule 2-4. As shown in Lines 3 through 6 of Schedule 2-4, the first step is to determine the current cost of service lines by pipe diameter from information in the Company's property records and the resulting unit cost per foot. Next, the DOT reports were used to determine the number of service lines by pipe diameter and the average length of service lines. The DOT information was summarized into pipe diameter categories of 1 inch or less, 1-2 inches, and 2-4 inches as shown in Column C and F, Lines 12-14. Next, the property record (both the service line data summarized in Schedule 2-4 and the comparable information for mains in Schedule 2-3) and DOT data are combined to estimate the unit cost and average service length of service lines for each of these sizes as shown on Lines 22-25 of Schedule 2-4. The number of service lines (Column D) is based on the DOT report and the total quantity in feet (Line 25, Column C) is also based on the total feet resulting from multiplying the average service line in the DOT report by the average service length (Column J, Lines 12-14). The average length for each service line was varied

assuming longer service line lengths for higher diameter service lines to determine the quantity in feet of each service line. The total Trended Original Cost (TOC) on line 26 Column E closely approximates the TOC determined from the analysis of the Company's property records on Line 2 through 6. The TOC in Column E of the table on Line 22-26 is equal to the estimated quantity in feet (Column C) times the average cost per foot (Column F). The unit costs shown in Column F are based on both the unit costs shown on Lines 3 through 5.

As shown in Lines 30 through 40 of Schedule 2-4, the next step is to allocate each size of service line to each proposed customer class based on the following assumptions based on consideration of the relative sizes of the average size customer in each class (Column D):

1. 100% of the Residential service lines are 1-inch or less.
2. Small Commercial Service lines are assumed to be equally split between 1-inch or less and 1-2 inches.
3. Large Commercial Service lines are 90% 1-2 inches and 10% greater than 2 inches.
4. Agricultural customers are not provided a service line.
5. 75% of the Maximum Rate legacy Aquila service lines are assumed to 1-2 inches and the remainder greater than 2 inches.
6. Interruptible Sales service lines are assumed to be equally split between 1-2 inches and greater than 2 inches.
7. Negotiated Distribution service lines are assumed to be equally split between 1-2 inches and greater than 2 inches.
8. The remaining customer classes are not served from service lines.

Next, the number of services lines allocated to each proposed customer class is multiplied by the applicable unit cost for each size service line, and the result is divided by the number of customers in each proposed customer class to determine an average unit cost for a service line per customer for each proposed customer class (Column L). A relative unit cost for each class is calculated as the ratio of that proposed customer class's unit cost relative to the unit cost of a Residential customer (Column M). These ratios are then used to assign weighting factors to each proposed customer class considering the relative size (use per customer) of a typical customer in each of the proposed customer classes (Column N).

The resulting proposed customer class service line weighting factors and customer component of mains weighting factors are as follows:

Customer Class	Service Line Weighting Factor
Residential	1
Small Commercial Service	1
Large Commercial Service	2
Agricultural	0
Maximum Rate	3.5

Interruptible Sales	6
Negotiated - Distribution	6
Negotiated – Transmission	0
Negotiated -Direct	0
Negotiated - Supply	0

These weighting factors are applied to the number of customers for each proposed customer class in the CCOSS to determine the service line and customer component of mains allocation bases for each proposed customer class. For example, a weighting factor of five means that the relative unit cost for that class is five times that of a Residential customer.

Meters and Regulators Weighting Factors Study

For purposes of cost allocation, the meters and regulators FERC Accounts 381 through 385 are combined. There are several reasons why this approach is reasonable. Typically, the meters and regulators are installed as a set and the assignment of the labor costs and the various piping components may be distributed through Accounts 381 through 384. In some cases, the cost of these installations may be split or allocated between Accounts 382 and 384; sometimes these accounts may not be used at all, and these installation costs are booked to either Account 381 or 383. The approaches differ between utilities and may change over time within the same company (especially if the company is an amalgamation of acquisitions). Further, the accounting label of "industrial" for Account 385 is vague in the FERC Uniform System of Accounts especially compared to the definition of industrial that may be used in the development of rates. Furthermore, rates change over time and customers migrate between rates over time, but the plant accounting is not adjusted for this, nor would it be practical to do so. Finally, meters and regulators are fungible. Unlike piping, meters and regulators are commonly removed, rehabilitated or repaired, and then reinstalled in a different location. Based on all these factors, it is most reasonable to treat Accounts 381 through 385 as a group and assign cost responsibility based on the installed cost of the entire meter and regulator set for each customer class regardless of where a customer's specific meter may be booked.

Plant investment in meters and regulators (Accounts 381 - 385) is allocated to customer classes based on the number of customers weighted to recognize relative differences in the unit investment cost of the different types and sizes of meter and regulator sets used to connect customers in that class in a manner like that used to allocate service lines. The analysis primarily relies upon the data contained in the Company's property records which provides an inventory and original cost of each type and size of meter and regulator. For the same reasons discussed above regarding mains and service lines, the original cost data should be restated in terms of current cost using Handy-Whitman indices for meters and regulators.

The Company's plant accounting records contain sufficient detail to determine which meters are used for each proposed customer class. Handy-Whitman indices are used to restate the original cost of this data into current cost. Dividing the total current cost by the number of

meters for each proposed customer class provides a unit cost per meter. In BH Nebraska Gas, most of the regulator inventory is not assigned to as specific size, thus the overall regulator trended cost divided by the overall meter trended cost provides the relative relationship of the regulator cost to the meter cost, and this is used to determine the amount of regulator related costs assigned to each proposed customer class's meter related cost. The meter and regulator set also includes an encoder-receiver-transmitter ("ERT") that is part of the automated meter reading system. This cost is also included in the estimated unit cost of each meter and regulator set for each proposed customer class. The total unit cost of a meter and regulator set for each proposed customer class is the summation of each of these components. According to the Company's records, some of the larger customers have more than one meter and regulator set, thus the unit cost per customer reflects the typical number of meter and regulator sets per customer. The relative unit cost is calculated for each proposed customer class as the ratio of that class's unit cost relative to the unit cost of a Residential customer. These ratios are then used to assign weighting factors to each proposed customer class, again with consideration also given to the relative size of a typical customer in each proposed customer class.

Schedule 2-5 shows the calculations discussed above and the resulting proposed customer class meters and regulators weighting factors are as follows:

Customer Class	Meter and Regulator Weighting Factor
Residential	1
Small Commercial Service	2
Large Commercial Service	14
Agricultural	4
Maximum Rate	68
Interruptible Sales	13
Negotiated - Distribution	43
Negotiated – Transmission	49
Negotiated -Direct	60
Negotiated - Supply	24

These weighting factors are applied to the number of customers for each proposed customer class in the CCOSS to determine the meters and regulators allocation basis for each proposed customer class. For example, a weighting factor of 14 means that the relative unit cost for that class is 14 times that of a Residential customer.

Customer Accounting Weighting Factors

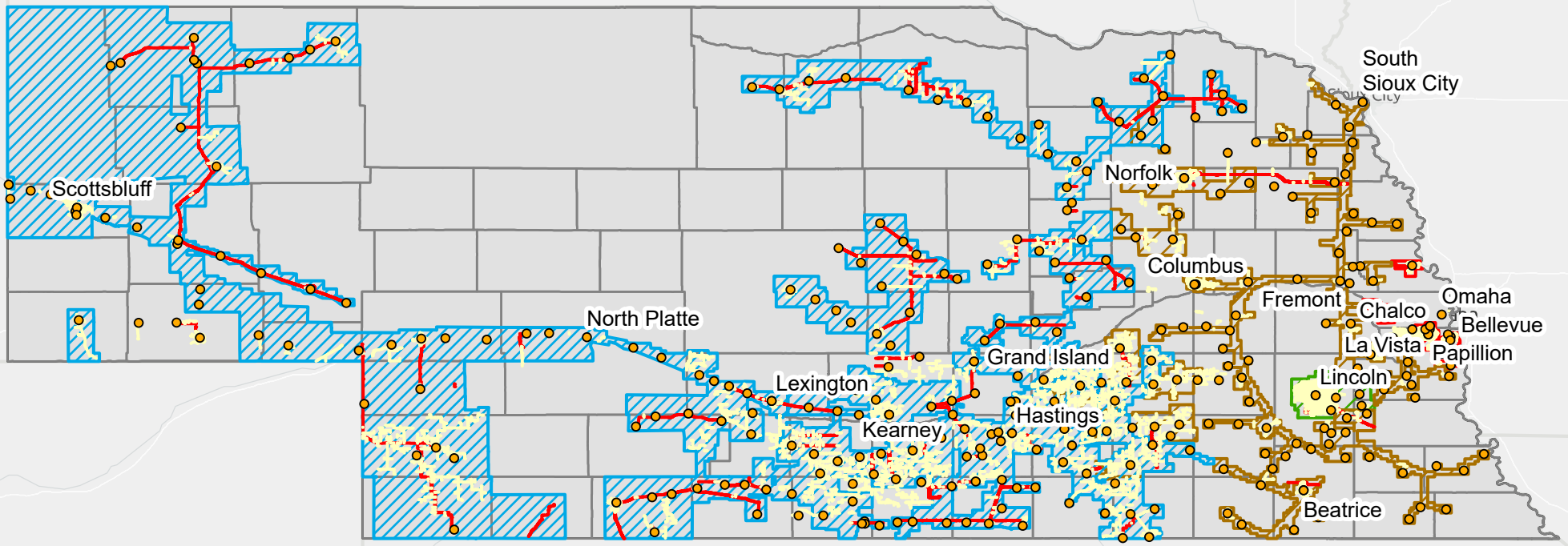
The Customer Accounting cost function includes operation and maintenance expenses booked to FERC Accounts 901 through 916 which include Customer Accounts Expenses, Customer Service and Information Expenses, and Sales Expenses. There are also other costs and revenues that are included in the Customer Accounting cost function as discussed earlier regarding the CCOSS. The customer accounting weighting factors used reflect the relative cost of reading meters, customer accounting and billing, collections, and customer service

for each of the customer classes. The following customer accounting weighting factors are used in the CCOSS:

Customer Class	Customer Accounting Weighting Factor
Residential	1
Small Commercial Service	1.5
Large Commercial Service	2.5
Agricultural	1.5
Maximum Rate	5
Interruptible Sales	5
Negotiated - Distribution	10
Negotiated – Transmission	20
Negotiated -Direct	20
Negotiated - Supply	20

These weighting factors are comparable to the weighting factors in the last rate review. These weighting factors recognize that customer accounting services provided to the Residential, Commercial and Agricultural classes are comparable and that as the other non-jurisdictional customers become larger, the rates migrate from being standardized to becoming more customer specific negotiated rates and thus the services provided to these larger customers require higher levels of attention and service not only for connecting service but also maintaining communication with larger customers.

Nebraska Rate Areas



Black Hills Nebraska Gas, LLC
Mains Classifation Study
Test Year Ending December 31, 2024

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]
Line No.	Description	Diameter	Original Cost	Length	Relative Capacity	Cumulative Relative Capacity	Trended Original Cost	Trended Cost per Foot	TOC per Capacity Unit	Cumulative Trended Original Cost
		Inches	$	Feet			$	$/ft		
					(1)			(2)	(3)	
1	Transmission Mains - Account 367									
2	Steel	2	31,133	415			60,096	$144.81		
3	Steel	3	67,996	292			67,492	$231.14		
4	Plastic	4	90,225	400			115,185	$287.96		
5	Steel	6	16,731	2,851			93,676	$32.86		
6	Steel	8	690,647	23,918			3,933,220	$164.45		
7	Steel	10	347	105			1,978	$18.84		
8	Steel	12	3,998,469	165,167			47,930,559	$290.19		
9	Subtotal Transmission		4,895,549	193,148			52,202,206			
10	Distribution Mains - Account 376									
11	Plastic	1	5,078,853	239,799			7,217,077	$30.10		
12	Plastic	2	135,302,315	15,935,864			228,720,528	$14.35		
13	Plastic	3	2,923,298	315,088			6,618,210	$21.00		
14	Plastic	4	64,555,760	3,572,361			98,490,219	$27.57		
15	Plastic	6	20,125,428	574,388			27,017,822	$47.04		
16	Plastic	8	141,366	1,219			200,809	$164.73		
17	Plastic	10	59,523	433			95,313	$220.12		
18	Subtotal Distribution		228,186,543	20,639,152			368,359,978			
19	Steel	1	1,294,381	150,061			5,981,536	$39.86		
20	Steel	2	108,032,773	19,452,025			595,734,651	$30.63		
21	Steel	3	13,466,016	3,850,881			127,238,907	$33.04		
22	Steel	4	50,767,926	4,497,287			262,174,755	$58.30		
23	Steel	6	23,941,771	1,856,843			138,917,372	$74.81		
24	Steel	8	22,233,937	684,944			71,239,058	$104.01		
25	Steel	10	1,497,249	109,478			14,256,799	$130.23		
26	Steel	12	29,621,949	206,504			62,270,358	$301.55		
27	Steel	16	13,447,073	36,220			27,543,209	$760.44		
28	Steel	18	32,086	3,775			3,031,165	$802.96		
29	Steel	20	324,210	20,845			9,153,219	$439.11		
30	Steel	24	409,660	24,014			9,254,935	$385.40		
31	Subtotal Distribution		265,069,030	30,892,877			1,326,795,964			
32	Total Distribution Mains - Account 376		493,255,573	51,532,029			1,695,155,943			
33	Net Mains - Account 376									

Black Hills Nebraska Gas, LLC
Mains Classifation Study
Test Year Ending December 31, 2024

Line No.	[A] Description	[B] Diameter	[C] Original Cost	[D] Length	[E] Relative Capacity	[F] Cumulative Relative Capacity	[G] Trended Original Cost	[H] Trended Cost per Foot	[I] TOC per Capacity Unit	[J] Cumulative Trended Original Cost
		Inches	$	Feet			$	$/ft		
34	Plastic & Steel	1		389,860	389,860	0.03%	13,198,613	$33.85	$33.85	0.78%
35	Plastic & Steel	2		35,387,889	200,184,130	17.48%	824,455,179	$23.30	$4.12	49.41%
36	Plastic & Steel	3		4,165,969	64,941,030	23.14%	133,857,117	$32.13	$2.06	57.31%
37	Plastic & Steel	4		8,069,648	258,228,736	45.64%	360,664,973	$44.69	$1.40	78.59%
38	Plastic & Steel	6		2,431,231	214,389,914	64.33%	165,935,194	$68.25	$0.77	88.38%
39	Plastic & Steel	8		686,163	124,208,771	75.15%	71,439,867	$104.12	$0.58	92.59%
40	Plastic & Steel	10		109,911	34,756,910	78.18%	14,352,112	$130.58	$0.41	93.44%
41	Steel	12		206,504	103,010,521	87.16%	62,270,358	$301.55	$0.60	97.11%
42	Steel	16		36,220	37,089,280	90.39%	27,543,209	$760.44	$0.74	98.74%
43	Steel	18		3,775	5,189,174	90.84%	3,031,165	$802.96	$0.58	98.91%
44	Steel	20		20,845	37,288,670	94.09%	9,153,219	$439.11	$0.25	99.45%
45	Steel	24		24,014	67,762,998	100.00%	9,254,935	$385.40	$0.14	100.00%
46	Total Distribution			51,532,029	1,147,439,993		1,695,155,943			
47	**Classification of Distribution (Account 376)**									
48	Total 6 inches and Over - Transmission Function			3,518,663	623,696,237		362,980,060			21.41%
49	Capacity Assignment				50%					10.71%
50	Commodity Assignment				50%					10.71%
51	Total 4 inches and Less - Distribution			48,013,366	523,743,756		1,332,175,883			78.59%
52	Distribution Capacity/Customer Assignment									
53	Relative Capacity of less than 6 inches				523,743,756	Column E, Line 62				
54	Unit TOC per Capacity of 4 inch				1.40	Column I, Line 48				
55	TOC of less than 6 inch that is Capacity Related				731,506,612	Line 64 times Line 65				
56	TOC of less than 6 inches				1,332,175,883	Sum on Column G, Lines 44 through 48				
57	Capacity Assigment				54.91%	Line 66 / Line 67				43.15%
58	Customer Assignement				45.09%	1 minus Line 68				35.43%
59	Overall Asssignment of Account 376									
60	Commodity				10.71%	Column J, Line 61				
61	Capacity				53.86%	Column J Line 60 plus Column J Line 68				
62	Customer				35.43%	Column J Line 69				

63 (1) Diameter (Column B) to the 2.5 power times length (Column D)
64 (2) Trended Original Cost (Column G) divided by length (Column D).
65 (3) Trended Original Cost (Column G) divided by relative capacity (Column E).

Black Hills Nebraska Gas, LLC
Service Lines Weighting Factor Study
Base Year Ending December 31, 2024

Property Data

Company	Diam	Quantity	Book Cost	TOC	Ave Cost/Foot
Black Hills Nebraska Gas, LLC	1" or less	11,890,293	$217,868,535	$326,607,067	$27.47
Black Hills Nebraska Gas, LLC	>1" thru 2"	649,645	$14,671,648	$19,590,346	$30.16
Black Hills Nebraska Gas, LLC	>2" thru 4"	52,521	$907,809	$1,391,959	$26.50
	Totals	**12,592,459**	**233,447,993**	**347,589,371**	**$27.60**

2024 DOT Report - Number of Services

Company	Diam	DOT Number of Services
Black Hills Nebraska Gas, LLC	Unknown	6,790
	1" or less	275,769
	>1" thru 2"	44,305
	>2" thru 4"	392
	Total	**327,256**

2024 DOT Report Summary

Diameter	DOT Number of Service Lines
1" or less	275,769
>1" thru 2"	44,305
> 2"	392
Total	**320,466**
Unknown	6,790
Total w/Unknown	**327,256**

2024 PHMSA Report

Total Services	325,343
Avg Serv Length	49.86
Number of feet	16,221,602

Average Cost

Diameter	Quantity - ft	Quantity - #	TOC	Ave Cost per Foot	Average Length	Average Cost/ Customer
1	12,100,000	275,769	121,000,000	$10.00	43.9	$438.77
1-2	760,000	44,305	15,200,000	$20.00	17.2	$343.08
2+	55,000	392	1,925,000	$35.00	140.3	$4,910.71
Totals	**12,915,000**	**320,466**	**$138,125,000**			

Customer Class Weighting Factors

Customer Class	Number of Customers	Number of Service Lines	Percent 1" or less	Percent >1" thru 2"	Percent > 2"	1" or less	>1" thru 2"	> 2"	Unit Cost/ Customer	Relative Unit Cost	Weighting Factor
Residential	263,485	263,485	100%	0%		263,485	0		$438.77	1.00	1.00
Small Commercial Service	26,438	26,438	50%	50%		13,219	13,219		$390.92	0.89	1.00
Large Commercial Service	3,247	3,247	0%	90%	10%	0	2,922	325	$799.84	2.05	2.00
Agricultural	4,699	0									
Maximum Rate	6	6		75%	25%		5	2	$1,494.81	3.41	3.50
Interruptible Sales	140	140		50%	50%		70	70	$2,628.46	5.99	6.00
Negotiated Distribution	82	82		50%	50%		41	41	$2,618.91	5.97	6.00
Negotiated Transmission	44	0									
Negotiated Direct	16	0									
Negotiated Supply	2	0									
Totals	**298,158**	**293,398**				**276,704**	**16,257**	**437**			

Black Hills Nebraska Gas, LLC
Meters Weighting Factor Study
Base Year Ending December 31, 2024

Line No.	A Customer Class	B Average Number of Bills	C Meters	D Booked Cost	E TOC	F Ave TOC/Meter	G Regulators	H Total Meters & Regulators	I Meter per Customer	J Total Meter Installation per Customer	K Relative Cost	L Weighting Factor
1	Residential	263,485	255,727	$26,213,932	$45,892,276	$179	$324	$503	1.0	$503	1	1
2	Small Commercial	26,438	28,608	$6,522,229	$10,846,287	$379	$684	$1,063	1.1	$1,150	2	2
3	Large Commercial	3,247	4,527	$4,539,350	$8,021,190	$1,772	$3,197	$4,969	1.4	$6,928	14	14
4	Agricultural	4,699	8,982	$4,393,510	$7,105,873	$791	$1,427	$2,218	1.9	$4,241	8	4
5	Maximum Rate	6	21	$64,748	$72,737	$3,464	$6,249	$9,713	3.5	$33,994	68	68
6	Interruptible Sales	140	162	$191,406	$314,275	$1,940	$3,500	$5,440	1.2	$6,299	13	13
7	Negotiated Distribution	82	213	$510,361	$819,652	$3,848	$6,943	$10,791	2.6	$27,944	56	43
8	Negotiated Transmission	44	95	$224,127	$391,550	$4,122	$7,436	$11,558	2.2	$24,860	49	49
9	Negotiated Direct	16	57	$103,794	$165,643	$2,906	$5,243	$8,149	3.7	$29,967	60	60
10	Negotiated Supply	2	2	$9,858	$8,200	$4,100	$7,397	$11,497	1.0	$11,997	24	24
11	**Totals**	**298,158**	**298,394**	**$42,773,315**	**$73,637,682**							

Line No.	Retirement Unit	Quantity	Booked Cost	TOC
12	**Retirement Unit**	**Quantity**	**Booked Cost**	**TOC**
13	Meter Bar Regulator Assembly-<2"	136,620	$78,084,152	$74,738,905
14	Meter Bar Regulator Assembly->=3"	79	$160,331	$193,399
15	Meter Bar Regulator Assembly-2"	3,918	$4,227,184	$4,062,251
16	Regulator, Gas - Less Than 2"	68,386	$20,760,744	$21,303,946
17	Regulator, Gas - 2"	2,150	$4,013,807	$4,532,949
18	Regulator, Gas - >=3"	85	$406,790	$537,989
19	Regulator, Gas - Not Available	176,185	$13,447,909	$27,484,005
20	**Totals**	**387,423**	**$121,100,917**	**$132,853,444**
21				